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PAPERS RELATING TO THE FOREIGN RELATIONS OF THE UNITED STATES

Diplomatic papers.

1917

SUPPLEMENT 2

THE WORLD WAR

(IN TWO VOLUMES)

VOLUME I

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PREFACE

A new arrangement of the papers relating to the World War becomes necessary with the transition of the United States, on April 6, 1917, from a status of neutrality to one of belligerency. The principal distinctive features of this arrangement, the respects in which it differs from that of preceding Supplements, and the main points of relationship to those Supplements and other volumes of *Foreign Relations of the United States* are as follows.

Part I deals with the political, military, and naval conduct of the war and with the possibilities and terms of settlement, and includes papers bearing on relations with the Central powers. It includes also correspondence with Russia regarding peace, for the context of which in Russian domestic affairs reference must be made to the three volumes of *Foreign Relations*, 1918, Russia. Several sections on special topics have been added to the main sequence of papers; the most considerable of these relate to cooperation, in other than political, military, and naval fields of action, with the Governments associated in the war against Germany. The documents included in such sections have been selected with a view to showing the development of principles and agencies of cooperation rather than details of the tasks and accomplishments. The section dealing with the Far East is continued from that in Part II of Supplement 1 for 1917, which covers the period ending with China's entrance into the war on August 14, 1917. Attention is called to the fact that other sections of Supplement 1 also contain papers of later date than April 6. The one dealing with Latin America extends throughout the year; consequently no such section appears in Supplement 2.

Part II, which in previous Supplements has been devoted to the assertion of neutral rights by the United States, is transformed into a selection of papers bearing on the principles and practices developed by the United States as a belligerent in relation to the commerce and economic interests of neutral countries. Correspondence with the Allied Governments on the subject of the treatment of neutral commerce and cooperation in the control of trade falls in this part.

Part III contains papers relating to certain problems of neutral duties in which the United States became interested as a belligerent. Most of these, naturally, concern the conduct of states which had not entered the war, but one section relates to the status of the Panama Canal.

The fourth part, comprising subjects of miscellaneous character arising out of the war, which is carried in preceding Supplements, is omitted from this one. Papers relating to the treatment of enemy persons and property and to certain other subjects best considered in their unified development over the entire period of belligerency will be included in Supplement 2 for 1918.

In the present Supplement, the general rule has been followed of compiling *Foreign Relations* from the files of the Department of State. In the case of certain subjects, however, other files have been drawn upon, particularly those of the War Trade Board, now in the custody of this Department, and those of the Food Administrator. The development of all subjects involving other executive agencies than the Department of State has been confined to the main lines of international relations; documents which may be found only in the files of the Department have, where necessary, been supplemented by certain closely related papers from other sources. No attempt has been made to present a comprehensive account of military and naval operations, loans and other financial transactions, and procurement and employment of supplies and shipping, which is possible only in publications based primarily on the files of the Departments or agencies directly concerned.

In certain instances the scantiness of the material here presented appears, upon extensive search and consultation with participants in the activities under consideration, to be due to the actual lack of systematic records. Such is the case with respect to the early development of American policy regarding neutral trade, and also with respect to the discussions held with the British and French special missions in April–May, 1917. All the significant documents in these connections which have been found are printed.

For the general principles followed in the compilation of the present volumes, reference is made to the preface to *Foreign Relations*, 1914, Supplement, pp. iii–iv.

The requirement stated in the principles referred to above, that the consent of foreign governments to the publication of documents received from them should be obtained, obviously covers the agreed minutes or memoranda of conferences with the representatives of other governments, in which their views are authoritatively set forth. The application of this principle has resulted in the omission from Part I of this Supplement of the minutes of the Inter-Allied Conference of November 29–December 3, and of the session of the Supreme War Council on December 1, consent to the publication of which was withheld by other governments represented in these meetings. The general report of the American mission, however, is printed in full.

Brackets, [ ], occurring in the text enclose editorial insertions. These are of two main types: (1) words or phrases, in ordinary type, supplied to fill in omissions or replace obviously garbled passages in telegrams; and (2) suggested corrections, in italics, following words or phrases which appear to be incorrect. When there is not sufficient evidence to indicate what has been omitted or garbled, or when the words which might be suggested would so seriously affect the sense of the document that supplying them would involve more than an editorial responsibility, notice is taken of defects in the text by the insertion, within brackets, of " omission," " garbled groups," or " *sic.*" Insignificant words are corrected or inserted without distinguishing marks.

Parentheses, ( ), occurring in the text are in the documents themselves. Besides their ordinary use for punctuation, these marks were also employed, in the deciphering and decoding of telegrams, to enclose words or phrases suggested by the decoders as possibly the intended readings of garbled groups which yielded unintelligible or no results. When so employed they have been allowed to stand, unless comparison with other documents showed the suggested reading to have been obviously either correct or incorrect. In the latter case the text within parentheses has sometimes been replaced by an editorial insertion within brackets.

Translations as found in the files have been revised and corrected if found faulty by comparison with texts in the original language or other available versions, but care has been taken to avoid altering in any significant respect important texts that were acted upon or used as sources of information in their existing form.

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ADEE, Alvey A., Second Assistant Secretary of State of the United States.
ADOR, G., Chief of the Swiss Political Department.
ALEXANDER, King of the Hellenes from June 12.
ALPHONSO XIII, King of Spain.
ANDERSON, Frank E., in Europe as Special Agent of the Department of State of the United States.
ANDREWS, William W., United States Secretary of Legation in Rumania; Chargé d'Affaires, February 1 to September 22.
ANGELESCU, Dr. Constantin, Rumanian Minister at Washington from January 15, 1918.
APPONYI, Count Albert, Hungarian Minister of Education.
ARNOLD, Frank D., United States Secretary of Legation in Siam; Chargé d'Affaires to November 24.
AUCHINCLOSS, Gordon, Assistant to the Counselor for the Department of State of the United States from June 11; Secretary, American Mission to the Inter-Allied Conference at Paris, November 29–December 3.
BAKER, Newton D., Secretary of War of the United States.
BAKHMETEFF, Boris A., Russian Ambassador at Washington from July 5.
BAKHMÉTEFF, George, Russian Ambassador at Washington to April 20.
BALFOUR, Arthur J., British Secretary of State for Foreign Affairs; Head of the British Special Mission to the United States.
BARCLAY, Colville, British Counselor of Embassy at Washington.
BELDEN, Perry, United States Secretary of Legation in Colombia; Chargé d'Affaires.
BENEDICT XV, The Pope.
BENSON, Rear Admiral William S., Chief of Naval Operations, U. S. N.; Navy Department representative, American Mission to the Inter-Allied Conference at Paris, November 29–December 3.
BETHMANN-HOLLWEG, Theobald Theodore Friedrich Alfred von, Chancellor of the German Empire to July 15.
BLISS, Gen. Tasker H., Chief of Staff, U. S. A., from September 22; War Department representative, American Mission to the Inter-Allied Conference at Paris, November 29–December 3; Member of the Supreme War Council.
BLOCK, Sir Adam, Controller of the Finance Section of the British Ministry of Blockade.
BORET, Victor, French Minister of Agriculture and Supplies.
BRATIANO, J. J. C., Rumanian Prime Minister and Minister for Foreign Affairs.
BRIAND, Aristide, Premier of France to March 20.
BRUN, Constantin, Danish Minister at Washington.
BRUSILOV, Gen. A. A., Commander in Chief of the Russian Army, June to July.
BRYN, H. H., Norwegian Minister at Washington.
BÜLOW, Bernhard, Prince von, former Chancellor of the German Empire.
CADORNA, Gen. Luigi, Chief of the General Staff of the Italian Army.
CALONDER, Dr. Felix L., Vice President of the Swiss Federal Council.
CAMBON, Jules, Secretary General of the French Ministry for Foreign Affairs.

CAPELLE, Admiral Eduard von, German Secretary of State for the Navy.
CAPPS, Rear Admiral W. L., General Manager of the United States Emergency Fleet Corporation, July to December.
CECIL, Lord Robert, British Minister of Blockade and Under Secretary of State for Foreign Affairs.
CHARLES I, Emperor of Austria; as Charles IV, King of Hungary.
CHEIDZE, N. S., Chairman of the Petrograd Soviet of Workmen's and Soldiers' Deputies; Chairman of the first All-Russian Congress of Soviets of Workmen's and Soldiers' Deputies.
CHRISTIAN X, King of Denmark.
CHURCHILL, Winston S., British Minister of Munitions.
CLEMENCEAU, Georges, Premier of France from November 16.
COCHIN, Denys, French Under Secretary of State for Blockade.
COFFIN, Howard E., Member of the Advisory Commission of the United States Council of National Defense; Chairman of the United States Aircraft Board.
COLBY, Bainbridge, Shipping Board representative, American Mission to the Inter-Allied Conference at Paris, November 29–December 3.
CONSTANTINE, King of the Hellenes to June 12.
CRAVATH, Paul D., Treasury representative, American Mission to the Inter-Allied Conference at Paris, November 29–December 3.
CRAWFORD, Sir Richard, Commercial Adviser of the British Embassy at Washington.
CROSBY, Oscar T., Assistant Secretary of the Treasury of the United States; Treasury representative, American Mission to the Inter-Allied Conference at Paris, November 29–December 3; President of the Inter-Allied Council on War Purchases and Finance.
CURZON, George Nathaniel, Earl Curzon of Kedleston, Member of the British War Cabinet; Lord President of the Council.
CZERNIN, Count Ottokar, President of the Austro-Hungarian Council of Ministers and Minister for Foreign Affairs.
DANGLIS, Gen. Nicholas, Member of Triumvirate at head of Greek Provisional Government.
DANIELS, Josephus, Secretary of the Navy of the United States.
DAWES, Lt. Col. Charles G., Chairman of the General Purchasing Board and General Purchasing Agent for the American Expeditionary Forces from September.
DE ALHUCEMAS, Marqués, President of the Spanish Council of Ministers from April 19; also Minister of State from November 3.
DE BROQUEVILLE, Comte Charles, Belgian Prime Minister and Minister for Foreign Affairs.
DE CARTIER DE MARCHIENNE, E., Belgian Minister at Washington from April 23.
DE CÉSPEDES, Dr. Carlos Manuel, Cuban Minister at Washington.
DE LEMA, Marqués, Spanish Minister of State, June 11 to October 28.
DENMAN, William, Chairman of the United States Shipping Board and President of the Emergency Fleet Corporation to July 25.
DJAVID BEY, Turkish Minister of Finance from February 4.
DMOWSKI, Roman, President of the Polish National Committee at Paris.
DODGE, H. Percival, Special Agent to Serbia (at Corfu) of the Department of State of the United States from June 28.
DROPPERS, Garrett, United States Minister to Greece and Montenegro.
EGAN, Maurice Francis, United States Minister to Denmark.
EKENGREN, W. A. F., Swedish Minister at Washington.
ELKUS, Abram I., United States Ambassador to Turkey.

ENVER PASHA, Turkish Minister of War.
ERZBERGER, Matthias, Member of German Reichstag.
FOCH, Gen. Ferdinand, Chief of the General Staff of the French Army.
FRANCIS, David R., United States Ambassador to Russia.
FROST, Wesley, United States Consul at Cork.
GARAY, Don Narciso, Panaman Secretary of State for Foreign Affairs.
GARRETT, John W., United States Minister to the Netherlands from August 23.
GEDDES, Sir Eric, First Lord of the British Admiralty.
GERARD, James W., United States Ambassador to Germany.
GOETHALS, Gen. George Washington, General Manager of the United States Emergency Fleet Corporation, April to July.
GOMPERS, Samuel, President of the American Federation of Labor.
GOTTSCHALK, Alfred L. M., United States Consul General at Rio de Janeiro.
GRANT-SMITH, Ulysses, United States Counselor of Legation in Denmark from July 18; Chargé d'Affaires from December 17.
GREGORY, Thomas W., Attorney General of the United States.
GUSTAF V, King of Sweden.
HAAKON VII, King of Norway.
HAIG, Field Marshal Sir Douglas, Commander in Chief of the British Expeditionary Forces in France and Flanders.
HARDING, Lt. Col. Chester, Governor of the Panama Canal.
HARDING, W. P. G., Governor of the United States Federal Reserve Board.
HARRISON, Leland, attached to the Office of the Counselor for the Department of State of the United States.
HARTMAN, Charles S., United States Minister to Ecuador.
HELLNER, Justice, Swedish Minister for Foreign Affairs from October 19.
HENDERSON, Arthur, Member of the British War Cabinet (Minister without portfolio).
HERTLING, Count Georg von, Chancellor of the German Empire from November 3.
HINDENBURG, Field Marshal Paul von Beneckendorff und von, Chief of the General Staff of the German Army.
HOOVER, Herbert C., Chairman of the Commission for Relief in Belgium; United States Food Administrator.
HOUSE, Edward M., Special Representative of the United States at the Inter-Allied Conference at Paris, November 29–December 3; United States representative on the Supreme War Council at Versailles, December 1.
HOVELAQUE, Emile, French Inspector General of Public Instruction; Counselor of the French Special Mission to the United States.
HURLEY, Edward N., Chairman of the United States Shipping Board and President of the Emergency Fleet Corporation from July 27.
IHLEN, Nils Claus, Norwegian Minister for Foreign Affairs.
INGERSOLL, George Pratt, United States Minister to Siam from August 8.
ISHII, Viscount Kikujiro, former Japanese Minister for Foreign Affairs; Head of the Japanese Special Mission to the United States.
JELLICOE, Admiral Sir John Rushworth, Chief of the British Naval Staff; in command of the Grand Fleet.
JOFFRE, Joseph J., Marshal of France.
JONES, Thomas D., Member of the United States War Trade Board; Vice Chairman from November 2.
JONNART, C. C., former French Minister for Foreign Affairs; High Commissioner of the Protecting Powers of Greece.
JUSSERAND, J. J., French Ambassador at Washington.

KALEDIN, Gen. Alexis M., Ataman of the Don Cossacks.
KÁROLYI, Count Michael, Hungarian statesman.
KERENSKY, Alexander F., Russian Minister of Justice, March to May; Minister of War and Navy, May to September; Prime Minister, July to November.
KLOTZ, Louis L., French Minister of Finance.
KNUDSEN, Gunnar, President of the Norwegian Council of State and Minister of State.
KONDOURIOTIS, Admiral Paul, Member of Triumvirate at head of Greek Provisional Government; Minister of Marine from June 27.
KORNILOV, Gen. L. G., Commander in Chief of the Russian Army, July 31 to September 11.
KÜHLMANN, Richard von, German Secretary of State for Foreign Affairs from August 5.
LANGHORNE, Marshall, United States Secretary of Legation in the Netherlands; Chargé d'Affaires, January 15 to October 3.
LANSING, Robert, Secretary of State of the United States.
LAW, Andrew Bonar, Member of the British War Cabinet; Chancellor of the Exchequer.
LINDMAN, Admiral Arvid A., Swedish Minister for Foreign Affairs, March 30 to October 19.
LLOYD GEORGE, David, British Prime Minister.
LONG, Breckinridge, Third Assistant Secretary of State of the United States.
LOUDON, Jonkheer J., Netherland Minister for Foreign Affairs.
LUDENDORFF, Gen. Erich F. W. von, Chief of the German General Staff on the eastern front.
LVOV, Prince George E., Russian Prime Minister (President of the Council of Ministers), March to July.
MACCHI DI CELLERE, Count V., Italian Ambassador at Washington.
MACLAY, Sir Joseph P., British Shipping Controller.
MCADOO, William Gibbs, Secretary of the Treasury of the United States.
MCCORMICK, Vance C., Chairman of the United States War Trade Board; War Trade Board representative, American Mission to the Inter-Allied Conference at Paris, November 29–December 3.
MCGOODWIN, Preston, United States Minister to Venezuela.
MCMILLIN, Benton, United States Minister to Peru.
MCNALLY, James C., United States Vice Consul at Zürich.
MICHAELIS, Dr. Georg, German State Commissioner for National Food Supply, February to July; Chancellor of the German Empire, July 14 to November 3.
MICHAILOVITCH, Lioubomir, Serbian Minister at Washington.
MILNER, Viscount Alfred, Member of the British War Cabinet (Minister without portfolio).
MORGENTHAU, Henry, former United States Ambassador to Turkey; in Europe on special mission.
MORRIS, Ira Nelson, United States Minister to Sweden.
MORRIS, Roland S., United States Ambassador to Japan from August 1.
MOTONO, Viscount Ichiro, Japanese Minister for Foreign Affairs.
MUNSON, Frank C., Shipping Board representative on the United States War Trade Board.
MURPHY, Dominic I., United States Consul General at Sofia.
NANSEN, Dr. Fridtjof, Head of the Norwegian Special Mission to the United States.
NORTHCLIFFE, Viscount Alfred, in the United States on British commercial mission.
NUBAR, Boghos, President of the Armenian National Delegation.

ONOU, C., Russian Counselor of Embassy at Washington; Chargé d'Affaires, April 20 to July 4.

ORLANDO, Vittorio Emanuele, President of the Italian Council of Ministers and Minister of the Interior.

PADEREWSKI, Ignace Jan, representative in the United States of the Polish National Committee at Paris.

PAGE, Thomas Nelson, United States Ambassador to Italy.

PAGE, Walter Hines, United States Ambassador to Great Britain.

PAINLEVÉ, Paul, Premier of France, September 12 to November 14.

PASHITCH, Nikola P., President of the Serbian Council of Ministers and Minister for Foreign Affairs.

PENFIELD, Frederic Courtland, United States Ambassador to Austria-Hungary.

PERCY, Lord Eustace, Secretary of the British Embassy at Washington.

PERKINS, Thomas N., War Industries Board representative, American Mission to the Inter-Allied Conference at Paris, November 29–December 3.

PERSHING, Gen. John J., Commander in Chief of the American Expeditionary Forces in Europe.

PÉTAIN, Gen. Henri Philippe, Commander in Chief of the French Armies in the Field.

PHILIP, Hoffman, United States Minister to Colombia from August 8.

PHILLIPS, William, Assistant Secretary of State of the United States.

PICHON, Stephen, French Minister for Foreign Affairs from November 16.

POINCARÉ, Raymond, President of France.

POLAND, W. B., Director for Europe of the Commission for Relief in Belgium.

POLITIS, N., Greek Minister for Foreign Affairs from June 27.

POLK, Frank Lyon, Counselor for the Department of State of the United States.

PRATT, Dr. Edward E., Chief of the United States Bureau of Foreign and Domestic Commerce.

PRICE, William J., United States Minister to Panama.

RAPPARD, Chevalier W. L. F. C. van, Netherland Minister at Washington.

READING, Viscount Rufus, Lord Chief Justice of England; in the United States on special mission.

REDFIELD, William C., Secretary of Commerce of the United States.

REINSCH, Paul S., United States Minister to China.

RHONDDA, Lord David, British Food Controller.

RIAÑO Y GAYANGOS, Don Juan, Spanish Ambassador at Washington.

RIBOT, Alexandre F., Premier of France, March 20 to September 8.

RITTER, Dr. Paul, Swiss Minister at Washington to July 23.

ROBERTSON, Gen. Sir William, Chief of the General Staff of the British Army.

ROUSSOS, Georges, Greek Minister at Washington from September 21.

SAMMONS, Thomas, United States Consul General at Shanghai.

SARRAIL, Gen. Maurice P., Commander in Chief of the Allied forces on the eastern front.

SATO, Aimaro, Japanese Ambassador at Washington.

SCAVENIUS, Erik, Danish Minister for Foreign Affairs.

SCHEIDEMANN, Philipp, Member of German Reichstag.

SCHMEDEMAN, Albert G., United States Minister to Norway.

SEIDLER, Dr. Ernst Ritter von, Premier of Austria from August 30.

SHARP, William G., United States Ambassador to France.

SHCHERBACHEV, Gen. D. G., Commander of the Russian Army on the Rumanian front.

SHEA, Joseph H., United States Ambassador to Chile.

SHELDON, L. P., United States Food he Don Cossen representative at London.
SIMS, Vice Admiral William S., Commanesman. nited States Naval Operations in European Waters.
SKINNER, Robert P., United States Consul General at London.
SMUTS, Lt. Gen. J. C., Minister of Defense in the South African Ministry and Member of the British War Cabinet.
SONNINO, Baron Sidney, Italian Minister for Foreign Affairs.
SPRING RICE, Sir Cecil Arthur, British Ambassador at Washington.
STIMSON, Frederic Jesup, United States Ambassador to Argentina.
STOVALL, Pleasant A., United States Minister to Switzerland.
STRESEMANN, Gustav, Member of German Reichstag; leader of the National Liberal Party.
SULZER, Dr. Hans, Swiss Minister at Washington from August 27.
SUSSDORFF, Louis A., jr., United States Secretary of Legation in Paraguay; Chargé d'Affaires from September 30.
TALAAT PASHA, Turkish Grand Vizier and Minister of the Interior.
TARDIEU, André, French High Commissioner in the United States.
TAYLOR, Alonzo Englebert, Food Administration representative, American Mission to the Inter-Allied Conference at Paris, November 29–December 3.
TERESHCHENKO, Michael I., Russian Minister of Finance, March to May; Minister for Foreign Affairs, May to November.
TISZA, Count Stephen, President of the Hungarian Council of Ministers to June.
TUAN CHI-JUI, Premier of China.
VENIZELOS, Eleutherios K., Member of Triumvirate at head of Greek Provisional Government; Premier of Greece from June 27.
VIVIANI, René, Vice President of the French Council of Ministers and Minister of Justice to March 21; Head of the French Special Mission to the United States.
VOPICKA, Charles J., United States Minister to Rumania, Serbia, and Bulgaria.
VOUROS, A., Greek Chargé d'Affaires at Washington to September 21.
WANG TA-HSIEH, Chinese Minister for Foreign Affairs.
WASHINGTON, Horace Lee, United States Consul at Liverpool.
WEKERLE, Alexander, President of the Hungarian Council of Ministers from August.
WHEELER, Post, United States Counselor of Embassy in Japan; Chargé d'Affaires, March 8 to October 31.
WHITLOCK, Brand, United States Minister to Belgium.
WILHELM II, German Emperor and King of Prussia.
WILLARD, Joseph E., United States Ambassador to Spain.
WILSON, Hugh R., United States Secretary of Legation in Switzerland; Chargé d'Affaires to March 5.
WILSON, Woodrow, President of the United States.
WOOLSEY, Lester H., Law Adviser for the Department of State of the United States to June 27; Solicitor for the Department of State from June 27.
ZAIMIS, Alexander, Premier of Greece, May 3 to June 27.
ZALDIVAR, Dr. Don Rafael, Salvadoran Minister at Washington.
ZIMMERMANN, Dr. Artur, German Secretary of State for Foreign Affairs to August 5.

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PART I: THE CONTINUATION OF THE WAR—PARTICIPATION OF THE UNITED STATES

The Conduct of the War—Discussions Regarding Peace

PREPARATIONS FOR THE ENTRANCE OF THE UNITED STATES INTO THE WAR

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5644	Feb. 9, 1917	From the Ambassador in Great Britain (tel.)	Proposes to compile *résumé* of British wartime legislation, etc., found to be of practical working value.	3
4427	Feb. 10	To the Ambassador in Great Britain (tel.)	Authorization to compile *résumé* of British wartime legislation, etc.	3*n*
4518	Mar. 8	To the Ambassador in Great Britain (tel.): to Bell	Inquiry regarding previous report on British handling of censorship, registration of aliens, etc., on outbreak of the war.	4
5818	Mar. 9	From the Ambassador in Great Britain (tel.): from Bell	Locates desired reports concerning British handling of censorship, registration of aliens, etc., on outbreak of the war.	4
4551	Mar. 16	To the Ambassador in Great Britain (tel.)	Request for data concerning precautionary measures taken by belligerents during the waf.	4
5880	Mar. 23	From the Ambassador in Great Britain (tel.)	Recommendation that U. S. admiral be sent to London for formal establishment of interchange of naval information and cooperation.	5
4586	Mar. 24	To the Ambassador in Great Britain (tel.)	Suggests interview with British Foreign Trade Bureau regarding cooperation.	6
5887	Mar. 24 [Rec'd Mar.26]	From the Ambassador in Great Britain (tel.)	British suggestion that upon entering the war the United States furnish troops immediately and establish liaison office in France.	6
5895	Mar. 26	From the Ambassador in Great Britain (tel.)	States that much time was lost by Great Britain during early part of the war because of delayed action along certain lines.	7
4599	Mar. 27	To the Ambassador in Great Britain (tel.)	Notification that an admiral will be sent to Great Britain to establish closer naval relations.	8
4631	Apr. 3	To the Ambassador in Great Britain (tel.)	Cooperation in handling shipping, munitions, and finances discussed with member of British Embassy.	8
	Apr. 5	From the French Ambassador	French mission to the United States proposed.	8
5946	Apr. 5	From the Ambassador in Great Britain (tel.)	British mission to the United States, headed by Balfour, proposed.	9

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THE ANNOUNCEMENT OF A STATE OF WAR BETWEEN THE UNITED STATES AND GERMANY, APRIL 6—PLANS OF COOPERATION WITH THE ALLIED POWERS: THE BRITISH AND FRENCH SPECIAL MISSIONS

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3495	Apr. 6	To the Ambassador in Turkey (tel.)	Morgenthau suggests representing to Turkey the advantages in maintaining friendly relations with the United States.	11
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4654	Apr. 8	To the Ambassador in Great Britain (tel.)	A British mission will be welcomed.	14
2135	Apr. 8	To the Ambassador in France (tel.)	Suggests that French and British Governments consult together in arranging visits of their respective missions to the United States.	15

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1823	Apr. 8 [Rec'd Apr. 9]	From the Chargé in Austria-Hungary (tel.)	Quotes Austro-Hungarian note of Apr. 8, announcing severance of diplomatic relations with the United States.	15
2591	Apr. 4 [Rec'd Apr. 8]	From the Ambassador in Turkey (tel.)	Turkey's confidence of early peace encouraged by Germany. Rumors of Russian separate peace increase hope.	16
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4676	Apr. 12	To the Ambassador in Great Britain (tel.)	British commissioners are invited to become guests of the United States.	20
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	Undated [Rec'd Apr. 18]	Chief of Military Mission with the French Army to The Adjutant General (tel.)	Quotes French recommendations regarding U. S. military cooperation.	27
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593	Apr. 18 [Rec'd Apr. 19]	From the Minister in Denmark (tel.)	Berlin press reports demonstrations against cutting of bread rations and a strong desire for peace.	29
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304	Apr. 19 [Rec'd Apr. 20]	From the Minister in Greece (tel.)	The King of Greece proposes to form, under certain conditions, a new cabinet agreeable to the Entente.	31
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	Apr. 27	From the French Special Mission	Presents program of military cooperation which France desires the United States to undertake.	44
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6109	Apr. 28	From the Ambassador in Great Britain (tel.)	Reports critical situation caused by submarine successes and recommends immediate dispatch of all U.S. anti-submarine craft.	46
6114	Apr. 28	From the Ambassador in Great Britain (tel.): Sims to Secretary of Navy	Reports pressing need of vessels, with repair and supply facilities to help break enemy submarine morale.	47
937	Apr. 28	From the Ambassador in Italy (tel.)	Personnel of Italian mission to the United States.	47
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	Nov. 5	From the British Embassy	Austria secretly proposes peace negotiations with Great Britain, pledging integrity of Italian territory. British reply.	289
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5739	Nov. 7	To the Ambassador in Great Britain (tel.): to House	For publication: the United States will participate in war conference for perfecting more complete coordination of effort against Germany.	295
1192	Nov. 7	From the Ambassador in Italy (tel.)	Further information on military situation in Italy.	296
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	Nov. 9 [Rec'd Nov.10]	From Director of Carnegie Endowment for International Peace	Forwards public statement issued by the Endowment. Offers copies for diplomatic and consular officers.	299
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THE ORGANIZATION AT RAPALLO OF THE SUPREME WAR COUNCIL, NOVEMBER 7; AGREEMENT OF THE UNITED STATES TO TAKE PART—PEACE OVERTURES FROM THE CENTRAL EMPIRES—AMERICAN ASSURANCES TO RUMANIA

	Nov. 12 [Rec'd Nov. 16]	From the British Embassy	Organization at Rapallo of the Supreme War Council; its aims and activities.	306
	Nov. 16	President Wilson to the Special Representative (tel.)	Accedes to plans for single war council. Instructions.	308
2754	Nov. 16 [Rec'd Nov. 17]	From the Ambassador in France (tel.)	Smaller powers have been invited to assist at military session of Inter-Allied Conference at Paris.	308
161	Nov. 17 [Rec'd Nov. 20]	From the Minister in Rumania (tel.)	Rumania requests U. S. support, should Russia make separate peace. Identic appeal to Great Britain and France quoted.	309
	Nov. 20	To Director of Carnegie Endowment for International Peace	Will accept one thousand copies of statement issued by the Endowment.	310
	Nov. 20	To the British Embassy	Passports will not be issued to U. S. citizens to attend conferences between Allied, enemy, and neutral powers.	310
1656	Nov. 19 [Rec'd Nov. 20]	From the Minister in the Netherlands (tel.)	German press summary: change in government; conditions affecting Russian peace offer; foreign economic and political situation; etc.	311
7782	Nov. 23	From the Ambassador in Great Britain (tel.); to the President also	Reports discussion of separate peace with Turkey and future of Palestine.	317
	Nov. 25	The Special Representative to President Wilson (tel.)	French Prime Minister favors unity of military direction but is doubtful of plan which resulted in formation of Supreme War Council.	317
3009	Nov. 24 [Rec'd Nov. 26]	From the Chargé in Switzerland (tel.): from McNally	Informed that Germany is ready to discuss peace terms with authorized American representative.	318
	Nov. 26	The Special Representative to President Wilson (tel.)	Official interview regarding use of U. S. forces and operation of proposed Supreme War Council.	318
22	Nov. 2 [Rec'd Nov. 27]	From the Special Agent in Corfu	Serbian Foreign Minister's views on situation in Greece, Italy, and Austria-Hungary.	319

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	Nov. 27	To the Ambassador in Great Britain (tel.); the same to diplomatic officers in certain other countries	Requests names of, and information regarding, group of men from whom representatives to peace conference will probably be selected.	321
38	Nov. 28	To the Belgian Minister	Unprepared to join in proposed demand for replacement of machinery and materials removed from Belgium by Germany.	321
2124	Nov. 26 [Rec'd Nov. 28]	From the Chargé in Switzerland (tel.)	Károlyi brings peace overtures from Austria-Hungary.	322
91	Nov. 28	To the Minister in Rumania (tel.)	Quotes the President's message to the King of Rumania offering assurances of U. S. support in efforts to safeguard Rumanian independence.	325
	Nov. 28	To the Ambassador in France (tel.); the same to diplomatic officers in certain other countries	Recommends close relation between U. S. diplomatic missions and Allied representatives to ensure cooperation.	325
1251	Nov. 28 [Rec'd Nov. 29]	From the Ambassador in Italy (tel.)	The Pope's message through the press in reply to attacks upon his peace move.	326
5930	Nov. 30	To the Ambassador in Great Britain (tel.)	Reasons for disapproval of a separate peace with Turkey at this time.	326
427	Nov. 30	To the Minister in Sweden (tel.)	Request for substance of all secret treaties so far published by Bolshevik government.	327
1170	Nov. 30	To the Chargé in Switzerland (tel.)	Oral instructions for McNally: not authorized to discuss peace terms with German Government.	327
7846	Nov. 30	From the Ambassador in Great Britain (tel.)	Lansdowne's letter concerning peace; its effect on belligerents.	327
	Nov. 30	The Special Representative to President Wilson (tel.)	Requests permission to offer in Inter-Allied Conference resolution on U. S. and Allied purpose in the war.	328
1712	Nov. 30 [Rec'd Dec. 1]	From the Minister in the Netherlands (tel.)	Press summary of German Chancellor's speech on military and political situation, appealing for support of the Government.	328
	Dec. 1	President Wilson to the Special Representative (tel.)	Approves suggested resolution regarding war aims; favors most effective war council obtainable.	331
1718	Dec. 1	From the Minister in the Netherlands (tel.)	Press summary of Kühlmann's Reichstag speech: Allies' aims, as revealed by secret treaties, must be met by force; etc.	331
2837	Dec. 1 [Rec'd Dec. 2]	From the Ambassador in France (tel.)	Reported peace overtures from Austrian Emperor through Foerster.	332

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	Dec. 14	Report of the Representative of the Navy Department	Decisions reached and agreements entered into regarding naval cooperation; recommendations.	384
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	Dec. 6	Report of the Representative of the Treasury Department	Allied financial needs, loans, and foreign exchange; discussion on proposed Inter-Allied Council.	392
	Undated	Report of the Representative of the War Trade Board	Conferences on tonnage, blockade, rationing, etc.; question of one central control committee.	400
	Dec. 14	Report of the Representative of the Shipping Board	Investigation of destruction by submarines and of new construction; cooperation in control of tonnage; annex.	409
	Undated	Report of the Representative of the Food Administration	Creation of Inter-Allied Commission on Alimentation.	423
	Dec. 11	Report of the Representative of the War Industries Board	Investigation of British and French Munitions organizations and of coordination of effort; annex.	431

THE PRESIDENT'S ADDRESS TO CONGRESS, DECEMBER 4, RECOMMENDING THE DECLARATION OF A STATE OF WAR WITH AUSTRIA-HUNGARY—THE POLICY OF THE UNITED STATES REGARDING TURKEY AND BULGARIA

993	Dec. 4	To the Ambassador in Italy (tel.)	Quotes, in part, the President's address to Congress recommending declaration of a state of war with Austria-Hungary.	446
1110	Dec. 4 [Rec'd Dec. 5]	From the Minister in Sweden (tel.)	Copies of secret correspondence published by Bolsheviks will be forwarded. List of subjects covered.	446
	Dec. 6	To the Chairman of the Committee on Foreign Relations of the Senate	Inadvisability of U. S. declaration of war against Turkey and Bulgaria at present. Quotes Peet, Haskell, and Edelman on situation.	448

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	Dec. 6	From the Ambassador in Great Britain (tel.)	London approval of the President's address to Congress recommending war against Austria-Hungary.	454
1131	Dec. 6 [Rec'd Dec. 7]	From the Minister in Sweden (tel.)	Press report: Russian Foreign Office has published telegram from Chargé at London reporting Germany's peace overtures to Great Britain and reply.	455
2855	Dec. 5 [Rec'd Dec. 6]	From the Ambassador in France (tel.)	Quotes joint telegrams from the Associated Ministers at Jassy to their Governments: Dec. 3, possible conflict between Rumanians and Russians; Dec. 4, Foreign Office message to Rumanian representatives in Allied countries regarding dangerous position of the Army.	456
180	Dec. 2[?] [Rec'd Dec. 7]	From the Minister in Rumania (tel.)	Rumanian Government empowers Russian general here to seek armistice with Germany for Rumania also.	457
2928	Dec. 7	To the Ambassador in France (tel.)	Inquires proposed action of France regarding Rumanian situation. Instructions sent Jassy to take no further steps until notified.	458
1200	Dec. 7	To the Chargé in Switzerland (tel.): to Anderson	Proposed visit to Vienna not approved.	458

THE DECLARATION OF A STATE OF WAR WITH AUSTRIA-HUNGARY, DECEMBER 7—THE CONCLUSION OF AN ARMISTICE ON THE RUMANIAN FRONT—INTERVIEW OF SPECIAL AGENT ANDERSON WITH COUNT APPONYI IN VIENNA—OTHER UNOFFICIAL APPROACHES BY GERMANS AND AUSTRIANS—DISCUSSION AS TO THE USE OF AMERICAN TROOPS IN EUROPE

	Dec. 7	To all diplomatic officers (tel.)	Congress passes, and the President signs, joint resolution declaring war on Austria-Hungary.	459
2830	Dec. 5 [Rec'd Dec. 8]	From the Ambassador in France (tel.)	Quotes joint telegram of Dec. 5 from Associated Ministers at Jassy to their Governments requesting instructions as to attitude to be taken in event of separate peace.	459
2185	Dec. 7 [Rec'd Dec. 9]	From the Chargé in Switzerland (tel.): from Anderson	Leaving for Vienna, safe-conduct having been granted.	461
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1209	Dec. 10	To the Chargé in Switzerland (tel.): to Anderson	Explanation must be given that trip to Vienna was not authorized by U. S. Government.	467
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2835	Dec. 10 [Rec'd Dec. 11]	From the Ambassador in France (tel.)	Quotes joint telegram of Dec. 7 from Associated Ministers at Jassy to their Governments: impossible to remove Rumanian Army to Russia.	469
	Dec. 11	To diplomatic officers in all countries except Spain (tel.)	Instructions to inform Foreign Office of U. S. declaration of a state of war with Austria-Hungary.	470
779	Dec. 11	To the Ambassador in Spain (tel.)	Quotes U. S. Congressional resolution declaring a state of war with Austria-Hungary.	470
2890	Dec. 13	From the Ambassador in France (tel.)	King of Rumania gives assurance of loyalty to Allied cause. Seeming acquiescence in armistice a necessity.	471
182	Dec. 8 [Rec'd Dec. 14]	From the Minister in Rumania (tel.)	Quotes Foreign Minister on difficulty of Rumanian position. Comments.	472
	Dec. 15	To diplomatic officers in all countries except Spain (tel.)	Proclamation of a state of war between the United States and Austria-Hungary.	472
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1767	Dec. 15	From the Minister in the Netherlands (tel.)	Inquires if he should receive statement Germany desires to make regarding basis for peace.	473
848	Dec. 16	To the Minister in the Netherlands (tel.)	Permission given to receive unofficially German statement regarding basis for peace.	474
849	Dec. 17	To the Minister in the Netherlands (tel.)	Instructions to receive none but official communication from Germany.	474
191	Dec. 13 [Rec'd Dec. 19]	From the Minister in Rumania (tel.)	Quotes Foreign Minister's note on difficulty of Rumanian position and defense of action taken.	474
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436	Dec. 21	From the Minister in Greece (tel.)	Greece is rapidly losing all morale and fighting capacity.	478
2261	Dec. 19 [Rec'd Dec. 21]	From the Chargé in Switzerland (tel.): from Anderson	Interviews with Apponyi in Vienna and Budapest.	478
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1792	Dec. 22 [Rec'd Dec. 23]	From the Minister in the Netherlands (tel.)	German press comment on general conditions and war policies.	484
1796	Dec. 23 [Rec'd Dec. 24]	From the Minister in the Netherlands (tel.)	Refusal to accept unofficial communication from Germany.	489
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	Nov. 12 [Rec'd Dec. 26]	Report of the Special Agent at Cairo	British, French, and Russian agreement concerning dismemberment of Ottoman Empire and partition of its parts.	490
2982	Dec. 26	To the Ambassador in France (tel.); *mutatis mutandis*, to the Ambassadors in Great Britain and Italy	The United States will participate in the Supreme War Council.	492
1273	Dec. 26	To the Chargé in Switzerland (tel.)	Instructions to inform British and French colleagues of Anderson's report of his visit to Vienna and Budapest.	492

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2965	Dec. 28 [Rec'd Dec. 30]	From the Ambassador in France (tel.)	Quotes joint telegram of Dec. 24 from the Associated Ministers at Jassy to their Governments: effect in Rumania of Maximalist movement; joint letter to the President of the Council.	509
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1755	Dec. 31 [Rec'd Jan. 1, 1918]	From the Chargé in Denmark (tel.)	Neutral diplomat reports decline of Pan-German militarism; German people desirous of peace.	515

COOPERATION OF THE UNITED STATES WITH THE ALLIED POWERS IN THE PROVISION AND ADMINISTRATION OF FINANCE AND IN THE PURCHASE OF SUPPLIES

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5817	Mar. 9	From the Ambassador in Great Britain (tel.)	Bank of England inquires regarding establishment of short time credits in the United States.	518
879	Mar. 23	From the Ambassador in Italy (tel.)	Quotes Director of Bank of Italy suggesting U. S. loans to Italy for probable purchase of American products.	518
5885	Mar. 24 [Rec'd Mar.25]	From the Ambassador in Great Britain (tel.)	British appreciation of U. S. proposal to offer to Allies credit for large sum.	519
2126	Apr. 5	To the Ambassador in France (tel.)	Offer of credit to France.	519
901	Apr. 6 [Rec'd Apr. 7]	From the Ambassador in Italy (tel.)	Italy desires to participate in U. S. financial loan to the Allies.	520
1993	Apr. 11 [Rec'd Apr. 12]	From the Ambassador in France (tel.)	French appreciation of offer of loan; statement of estimated amount which would be used for purchases in the United States.	520
	Apr. 19	From the Italian Ambassador	Statement of Italy's financial situation and estimate of loan needed for purchases in the United States.	522

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113	Apr. 23 [Rec'd Apr. 24]	From the British Ambassador	Amount of loan desired by Great Britain; Ambassador authorized to sign necessary documents.	524
	May 2 [Rec'd May 3]	From the French Ambassador	France desires U. S. loan; Ambassador authorized to sign necessary documents.	525
	May 3	The British Ambassador to the Secretary of the Treasury	Applies for advance to cover May financial obligations, and gives estimate of certain future requirements.	525
	May 5	From the Head of the British Special Mission	Expresses appreciation of promptness with which the United States met Great Britain's immediate financial obligations.	526
860	May 7 [Rec'd May 8]	From the Belgian Minister	Applies for loan to Belgium and quotes his official power to act in matter.	526
	May 9	From the Secretary of the Treasury	Negotiations regarding foreign loans will be communicated to Department of State. Status of British loans.	527
	May 9	From the Secretary of the Treasury	Statement regarding loans to France.	528
	May 9	From the Secretary of the Treasury	Statement covering negotiations effecting loan to Italy.	528
	May 16	From the Secretary of the Treasury	Statement covering negotiations regarding loan to Belgium.	529
	May 25	From the Assistant Secretary of the Treasury	Reports further advances on loans to Great Britain and Italy, which complete the sums agreed upon for those countries.	529

BRITISH REPRESENTATIONS AS TO THE INADEQUACY OF SUMS PROVIDED—THE QUESTION OF TAKING UP THE "MORGAN OVERDRAFT"—REPLIES TO BRITISH REPRESENTATIONS

	Undated	From the British Embassy	Telegram of May 26 from Balfour requesting the Secretary of the Treasury to obtain assurance of funds for British purchases here.	530
	May 29	Commercial Adviser of British Embassy to Secretary of Treasury	Application for advance of sums to cover British requirements for month of June.	530
	June 9	From the Assistant Secretary of the Treasury	Reports first advance during month of June on loan to Great Britain.	531

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6545	June 27	From the Ambassador in Great Britain (tel.)	Disappointment in Great Britain at failure to receive expected installment of loan from U. S. Treasury.	532
	June 28	From the Ambassador in Great Britain (tel.)	British representations regarding inadequacy of sums provided for British purchases in the United States and danger of financial collapse.	532
	July 1 [Rec'd July 2]	From the British Ambassador	Financial position of Great Britain perilous; relief from responsibility for Allied expenditures in the United States expected; specific aid requested.	533
6645	July 5	From the Ambassador in Great Britain (tel.)	British expectation that sum to cover Morgan overdraft would be first call on the Liberty Loan.	535
	July 6	From the Acting Secretary of the Treasury	Statement of recent loans and credits to Allies including Russia; tabulation of all loans to date.	536
	July 2 [Rec'd July 7]	From the British Embassy	Draft scheme for an Inter-Allied Council to coordinate demands for supplies before submitting requirements to the United States.	537
	July 9	From the Secretary of the Treasury	Forwards for transmittal his note of July 9 to the British Ambassador, in reply to the latter's statement of British financial requirements and request for aid.	539
5139	July 12	To the Ambassador in Great Britain (tel.)	Quotes the Secretary of the Treasury's note of July 12 to the British Foreign Secretary denying promise to pay Morgan overdraft and reviewing loan negotiations.	543
	July 17	From the British Embassy	Points out that financial system of the Allies will collapse unless the United States lends aid.	545

PROPOSAL OF THE SECRETARY OF THE TREASURY, TRANSMITTED JULY 19, FOR AN INTER-ALLIED COUNCIL ON WAR PURCHASES AND FINANCE AND FOR AN AMERICAN PURCHASING COMMISSION—BRITISH MEMORANDUM, TRANSMITTED JULY 20, IN JUSTIFICATION OF REQUESTS FOR INCREASED ASSISTANCE—REPLY OF THE ALLIED GOVERNMENTS, JULY 26, TO THE PROPOSAL FOR AN INTER-ALLIED COUNCIL AND A PURCHASING COMMISSION

	July 18	From the Secretary of the Treasury	Forwards for transmittal his identic notes of July 18 to the representatives of Great Britain, France, Russia, Italy, Belgium, and Serbia proposing establishment of an Inter-Allied Council on War Purchases and Finance, and an American Purchasing Commission.	54

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6779	July 20	From the Ambassador in Great Britain (tel.)	Memorandum on financial situation in Great Britain to be forwarded for the President and McAdoo.	549
6780	July 20 [Rec'd July 21]	From the Ambassador in Great Britain (tel.)	Quotes memorandum from the British Chancellor of the Exchequer to the Secretary of the Treasury on financial situation in Great Britain.	549
	July 26	From the Allied Ambassadors	Forward for transmittal their joint note of July 26 to the Secretary of the Treasury in acknowledgment of proposal for an Inter-Allied Council, etc.	555
	Undated [Rec'd Aug. 3]	From the British Embassy	Presents Balfour's telegram of Aug. 2 offering assistance in estimating expenditures and seeking repayment of certain sums advanced by Great Britain for Russia.	558
	Undated [Rec'd Aug. 3]	From the British Embassy	Presents Balfour's telegram of Aug. 2 transmitting message from Chancellor of Exchequer to McAdoo suggesting plan to avoid crisis in Allied finances.	559
6877	Aug. 2	From the Ambassador in Great Britain (tel.)	Balfour represents financial position as perilous; awaits the President's reply to telegram.	560
	Aug. 2	From the Acting Secretary of the Treasury	Credit is established in the United States for maintenance of the Belgian Army.	560
	Aug. 6	From the Acting Secretary of the Treasury	Announces additional credits and loans to France and Italy for August; table of foreign loans and credits to date.	560

REPLY OF THE SECRETARY OF THE TREASURY, AUGUST 14, TO THE BRITISH MEMORANDUM ON INCREASED ASSISTANCE, URGING COORDINATION OF REQUIREMENTS—CONSTITUTION OF THE PURCHASING COMMISSION—AGREEMENT OF THE BRITISH AND FRENCH GOVERNMENTS, AUGUST 31, TO THE CONSTITUTION OF THE INTER-ALLIED COUNCIL—THE QUESTION OF THE GREEK LOAN AS A FACTOR IN HASTENING COORDINATION

5300	Aug. 14	To the Ambassador in Great Britain (tel.)	Quotes the Secretary of the Treasury's note of Aug. 14 to the British Chancellor of the Exchequer, in reply to latter's memorandum on financial situation in Great Britain.	561
391	Aug. 19	From the Minister in Greece (tel.)	Greece requests military loan in order to mobilize against Central powers.	564
	Aug. 20 [Rec'd Aug. 21]	From the French Ambassador	France confirms declaration of Greece and calls attention to importance of reenforcing the Army of the Orient.	565

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	Aug. 31	From the Assistant Secretary of the Treasury	Forwards text of Purchasing Commission agreement of Aug. 27 with Italy. Similar agreements made with Great Britain, France, Russia, Belgium, and Serbia.	565
260	Aug. 31 [Rec'd Sept. 1]	From the British Ambassador	Acceptance of U. S. proposal for organization of an Inter-Allied Council in Europe. The United States is asked to nominate chairman.	568
7087	Sept. 3	From the Ambassador in Great Britain (tel.)	Designation of British representatives with full powers in respect to loans.	569
328	Sept. 8	To the Minister in Greece (tel.)	Refers Greece to Inter-Allied Council, about to be established in Europe, regarding request for loan.	569
5396	Sept. 8	To the Ambassador in Great Britain (tel.); the same to the Ambassadors in Russia, France, and Italy	Importance of promptly naming members of Inter-Allied Council; attention called to application of Greece for war loan.	570
7218	Sept. 21	From the Ambassador in Great Britain (tel.)	British Government hastens to nominate delegates to the Inter-Allied Council.	571
	Sept. 21	From the French Ambassador; similar note from the British Ambassador	France recommends that credit and certain supplies for Greece be obtained in the United States.	571

THE APPOINTMENT OF DELEGATES TO THE INTER-ALLIED COUNCIL—FINANCIAL NEGOTIATIONS AT PARIS AND LONDON THROUGH THE AMERICAN DELEGATE, CROSBY—FRENCH PROJECT OF SEPARATE COUNCILS FOR SUPPLIES AND FINANCE—ORGANIZATION OF A SINGLE INTER-ALLIED COUNCIL AT LONDON, DECEMBER 13

	Oct. 16	To the French Ambassador; *mutatis mutandis*, to representatives of certain other countries	U. S. delegate to act in consultative capacity in Inter-Allied Council will be designated. Prompt organization is urged.	572
	Oct. 19	From the British Ambassador	Allies request that U. S. delegate to Inter-Allied Council act as chairman. British delegates nominated.	573
	Oct. 20	From the Acting Secretary of the Treasury	Table showing total of foreign loans and credits in the United States to date.	574
997/C-6	Oct. 25 [Rec'd Oct. 26]	From the Italian Ambassador	Appointment of Italian delegates to Inter-Allied Council. Request that U. S. delegate accept presidency.	574

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1877	Nov. 6	To the British Ambassador; the same to representatives of certain other countries	Designation of U. S. delegate to Inter-Allied Council; no objection to his accepting presidency.	576
	Nov. 9 [Rec'd Nov. 12]	From the French Ambassador	French request that U. S. representative be appointed on committee to decide financial policy of Allies toward Greece.	576
5775	Nov. 10	To the Ambassador in Great Britain (tel.): McAdoo to Crosby	Personal views and those of Inter-Allied Council requested on Italy's application for large additional loans and credit.	577
2	Nov. 13	From the Delegate to the Inter-Allied Council (tel.): to McAdoo	Organization of Inter-Allied Council delayed. Plan suggested for immediate relief of Belgium.	577
3	Nov. 14	From the Delegate to the Inter-Allied Council (tel.): to McAdoo	Asks permission to state that the United States is considering advisability of raising rate of interest on foreign loans.	578
5821	Nov. 15	To the Ambassador in Great Britain (tel.): McAdoo to Crosby	Instructions to make statement that higher rate of interest on future loans is considered necessary.	578
5825	Nov. 15	To the Ambassador in Great Britain (tel.): Leffingwell to Crosby	Inquires views on Canada's stand regarding purchasing arrangements, on measures for relief of Greece, Japan's assistance, further loans to Serbia and Belgium, etc.	579
5	Nov. 16	From the Delegate to the Inter-Allied Council (tel.): to McAdoo	Recommendations regarding further loans to Italy and Belgium, etc.	580
8	Nov. 21	From the Delegate to the Inter-Allied Council (tel.): to McAdoo	*Re* Canadian purchases, disposition of reimbursed funds, Greek and Italian situation, financial aid from Japan, etc.	581
9	Nov. 21 [Rec'd Nov. 22]	From the Delegate to the Inter-Allied Council (tel.): to McAdoo	Recommendations regarding anticipated expenditures, disposition of ship-construction funds returnable to Great Britain, and loans to Italy.	583
5872	Nov. 22	To the Ambassador in Great Britain (tel.): Leffingwell to Crosby	Situation in Italy requires prompt and liberal financial support. Recommendations requested.	584

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2813	Nov. 28 [Rec'd Nov. 29]	From the Ambassador in France (tel.): Crosby to McAdoo	French project of separate councils for supplies and finance.	586
2902	Dec. 3	To the Ambassador in France (tel.): McAdoo to Crosby	Unfavorable to two councils, but willing to accept judgment of Colonel House and Crosby.	586
2916	Dec. 4	To the Ambassador in France (tel.): McAdoo to Crosby	Plan approved for meeting Morgan overdraft; Du Pont notes should be taken care of by British.	587
13	Dec. 4 [Rec'd Dec. 6]	From the Delegate to the Inter-Allied Council (tel.): to McAdoo	Desirability of organizing two councils.	587
2009	Dec. 7	To the French Ambassador	No U. S. representative will be sent to Athens conference; France and Great Britain could submit from Paris conference suggestions regarding financial aid for Greece.	587
5994	Dec. 8	To the Ambassador in Great Britain (tel.): Leffingwell to Crosby	Proposed plan for two councils approved.	588
6029	Dec. 13	To the Ambassador in Great Britain (tel.): Leffingwell to Crosby	No commitment on part of the United States to exchange demand obligations for long time bonds.	588
7984	Dec. 16 [Rec'd Dec. 17]	From the Ambassador in Great Britain (tel.): to McAdoo	Single council organized. Review of financial situation and recommendations for prompt action regarding credit.	589
6109	Dec. 24	To the Ambassador in Great Britain (tel.): McAdoo to Crosby	Cash advances to foreign governments available for January. Necessity for coordination.	590
	Jan. 3, 1918	From the Assistant Secretary of the Treasury	Tabulated report on U. S. foreign loans and credits to date.	592

PART I

Cooperation of the United States with the Allied Powers in the Provision and Administration of Shipping

BRITISH, RUSSIAN, AND ITALIAN STATEMENTS OF SHIPPING NEEDS—CONTACT BETWEEN AMERICAN AND BRITISH AUTHORITIES DURING AND AFTER THE VISIT OF THE BALFOUR MISSION—DELEGATION BY THE PRESIDENT, JULY 11, TO THE SHIPPING BOARD AND EMERGENCY FLEET CORPORATION OF POWERS FOR THE ACQUISITION OF SHIPS—RESOLUTION OF THE SHIPPING BOARD, COMMUNICATED TO THE BRITISH EMBASSY JULY 24, FOR THE REQUISITION OF COMPLETED SHIPS BUILT IN AMERICAN YARDS FOR FOREIGN OWNERS—PROTEST OF THE BRITISH GOVERNMENT—SUGGESTIONS FROM THE BRITISH AND ALLIED GOVERNMENTS AS TO AMERICAN COOPERATION IN THE UTILIZATION OF SHIPPING

No.	Date	From and to whom	Subject	Page
5952	Apr. 6, 1917	From the Ambassador in Great Britain (tel.)	Quotes memorandum of the British Controller of Shipping on shipping needs with suggestion of U.S. aid.	593
6057	Apr. 21	From the Ambassador in Great Britain (tel.)	Forwards Hoover's report on alarming conditions of shipping and his recommendations.	594
1216	Apr. 24	From the Ambassador in Russia (tel.)	Russian unofficial request for tonnage for Archangel.	595
	Undated	From the British Embassy	Statement on shipping needs and urgency of situation.	595
	May 15	From the Head of the British Special Mission	Steel requirements for war construction; British ship contracts in the United States.	596
	May 23	From the Head of the British Special Mission	Forwards copy of his letter of May 23 to the Shipping Board regarding shipping output and question of ownership of ships previously contracted for by British Government.	597
157	May 29 [Rec'd May 31]	From the Counselor of the British Embassy	British officials are coming to the United States to consult with the Shipping Board.	599
4909	June 2	To the Ambassador in Great Britain (tel.); similar tel. to the Ambassador in France	Italy's request for coal. Inquiry regarding British decrease in coal shipments to Italy.	600
	June 1 [Rec'd June 5]	From the Commercial Adviser of the British Embassy	Urges U. S. tonnage for shipment of munitions for Russia through Archangel.	600
6367	June 5	From the Ambassador in Great Britain (tel.)	British assurance that lack of sailing vessels is only reason Great Britain does not fully supply Italy with coal.	601
1474	June 9	To the Ambassador in Russia (tel.)	Shipping Board is endeavoring to secure vessels for Archangel trade.	602
6543	June 26 [Rec'd June 27]	From the Ambassador in Great Britain (tel.)	Great Britain's oil supply is depleted by submarines; measures for replenishing recommended.	602
2664	July 11	Executive order	Delegation to Shipping Board and Emergency Fleet Corporation of powers for the acquisition and disposition of ships.	603

PART I

COOPERATION IN THE PROVISION AND ADMINISTRATION OF SHIPPING—Continued

No.	Date	From and to whom	Subject	Page
6761	July 18	From the Ambassador in Great Britain (tel.)	Recommends designation of U. S. member on Allied Chartering Committee.	604
	July 23	From the Vice Chairman of U. S. Shipping Board	Requests delivery of notice to British and Norwegian representatives of requisition of ships built in U. S. yards. Text of resolution.	604
223	July 25 [Rec'd July 28]	From the British Ambassador	Representations regarding requisition of British ships. British policy in like cases.	605
	Undated [Rec'd July 28]	From the British Embassy	Foreign Office telegram: meeting of Allied representatives to discuss shipping problems; necessity of U. S. representation.	608
	July 28	From the Commercial Adviser of the British Embassy	Requests statement of U. S. import needs which certain outward-bound neutral ships from Northern Europe should carry.	608
	Aug. 1	To the British Ambassador	Will await result of shipping conference being held in the United States before taking part in proposed London conference.	609
	July 31 [Rec'd Aug. 3]	From Italian, Russian, British, and French representatives	Shipping situation and necessity for U. S. cooperation.	610

REQUISITION, AUGUST 3, OF SHIPS UNDER CONSTRUCTION IN AMERICAN YARDS—REPRESENTATIONS OF THE BRITISH GOVERNMENT, TRANSMITTED AUGUST 21, AGAINST THE REQUISITION OF SHIPS BUILDING ON BRITISH ORDERS; REPLY OF THE CHAIRMAN OF THE SHIPPING BOARD, TRANSMITTED SEPTEMBER 7; ACCEPTANCE OF THE MEASURE BY THE BRITISH GOVERNMENT, OCTOBER 26—REPRESENTATIONS AS TO THE SHIPPING NEEDS OF FRANCE AND ITALY—SPECIAL REPRESENTATIONS REGARDING OIL TANKER TONNAGE—CONFLICT BETWEEN AMERICAN AND BRITISH PLANS FOR CHARTERING NORWEGIAN SHIPS

	Aug. 3	From the U. S. Shipping Board	Decision to requisition all ships in process of construction in U. S. yards.	613
	Aug. 3	From the Vice Chairman of the U. S. Shipping Board	Plans for taking over by the Government all merchant ships under construction. Question of international objections.	613
	Aug. 3	General Manager of Emergency Fleet Corporation to owners of U. S. shipyards (tel.)	Official notification of Government requisition of all ships building in U. S. yards.	614
	Aug. 4	To the Chairman of the U. S. Shipping Board	Sees no objection internationally to taking over construction of ships to expedite completion if indemnification is made.	614
	Aug. 15	British Shipping Delegate to Chairman of U. S. Shipping Board	Representations against requisition of ships building in the United States in name of Cunard Steamship Co. for Great Britain.	616

PART I

COOPERATION IN THE PROVISION AND ADMINISTRATION OF SHIPPING—Continued

No.	Date	From and to whom	Subject	Page
	Aug. 16 [Rec'd Aug. 21]	From the French High Commissioner	French tonnage needs; proposal of U. S. navigation corporation to manage French tonnage building in the United States.	617
6993	Aug. 21 [Rec'd Aug. 22]	From the Ambassador in Great Britain (tel.)	Quotes Balfour's letter on requisition of British-owned ships building in the United States.	622
	Sept. 5	To President Wilson	Reports conversation with French official regarding requisitioning of ships.	623
5388	Sept. 7	To the Ambassador in Great Britain (tel.)	Quotes note of Chairman of Shipping Board justifying the requisition of British ships building in the United States.	624
7291	Sept. 29 [Rec'd Sept. 30]	From the Ambassador in Great Britain (tel.)	Conflict between U. S. and British plans for chartering Norwegian ships; coordination urged.	625
356	Oct. 4 [Rec'd Oct. 11]	From the British Embassy	Requirements of tanker tonnage for oil transport to the United Kingdom.	627
	Oct. 16 [Rec'd Oct. 17]	From the Italian Ambassador	Outlines Italy's need for food and war supplies, and appeals to the United States for tonnage relief.	632
7538	Oct. 26 [Rec'd Oct. 27]	From the Ambassador in Great Britain (tel.)	Quotes *aide mémoire* of the British Government on British attitude toward requisition of ships; also quotes memorandum of Controller of Shipping on British need of steel.	633

SHIPPING NEGOTIATIONS IN CONNECTION WITH THE INTER-ALLIED CONFERENCE—UNDERSTANDING FOR AN EQUAL DIVISION OF CHARTERED NEUTRAL TONNAGE BETWEEN GREAT BRITAIN AND THE UNITED STATES—PROJECTS FOR THE COORDINATION OF SHIPPING POLICY

5765	Nov. 9	To the Ambassador in Great Britain (tel.): Hurley to Colby	Instructions regarding subject of neutral tonnage; equal division proposed; Great Britain's attempt at control.	635
5795	Nov. 13	To the Ambassador in Great Britain (tel.): W. T. B. to McCormick	British attempt to control Norwegian shipping. U. S. stand on division of tonnage.	635
	Nov. 15 [Rec'd Nov. 16]	From the Special Representative of W. T. B. (tel.): to W. T. B.	Situation regarding Norwegian shipping. British acceptance of proposed equal division of chartered neutral tonnage.	636
5840	Nov. 17	To the Ambassador in Great Britain (tel.): Hurley to Colby	Consideration of the petroleum and tank-steamer tonnage situation.	637
5841	Nov. 17	To the Ambassador in Great Britain (tel.): Jones to McCormick	Solution of tonnage, food, and munitions problems assured if Great Britain agrees to equal division of Norwegian tonnage.	638

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COOPERATION IN THE PROVISION AND ADMINISTRATION OF SHIPPING—Continued

No.	Date	From and to whom	Subject	Page
	Nov. 24	From the Commercial Adviser of the British Embassy	Submits for approval draft of telegram to his Government proposing measures for coordination of shipping.	639
	Dec. 1 [Rec'd Dec. 2]	From the Ambassador in France (tel.): Colby to Hurley	Suggests that ships loaded for Allied ports be permitted to proceed.	640
	Dec. 1 [Rec'd Dec. 4]	From the Commercial Adviser of the British Embassy	Validity of Great Britain's Norwegian Tonnage Agreement.	641
563	Dec. 3 [Rec'd Dec. 5]	From the British Ambassador	Forwards for U. S. assent tonnage-control resolutions approved by British War Cabinet.	641
5959	Dec. 5	To the Ambassador in Great Britain (tel.): Munson to Colby	Urges confirmation of agreement regarding Norwegian tonnage.	643
	Dec. 11 [Rec'd Dec. 13]	From the Commercial Adviser of the British Embassy	Recommends London resolution regarding division and employment of Norwegian tonnage.	643
591	Dec. 11 [Rec'd Dec. 13]	From the British Ambassador	Presents for U. S. sanction additional resolution regarding distribution of Norwegian tonnage, approved by British War Cabinet.	644
7983	Dec. 16	From the Ambassador in Great Britain (tel.): from Gunther	Negotiations regarding distribution of Swedish tonnage.	645
2900	Dec. 15 [Rec'd Dec. 17]	From the Ambassador in France (tel.): to the President	Quotes note of Dec. 15 from the French Premier to President Wilson: urgent appeal for gasoline and tank steamers for France.	646
619	Dec. 17 [Rec'd Dec. 18]	From the Commercial Adviser of the British Embassy	British memorandum of tonnage needs and suggested program for U. S. assistance.	647
	Dec. 14 [Rec'd Dec. 19]	From the Commercial Adviser of the British Embassy	Claims upon America for tanker tonnage to replace double-bottom boats now needed for carrying cereals.	648
642	Dec. 20	From the Commercial Adviser of the British Embassy	Decisions reached by Inter-Allied Conference at Paris regarding London resolutions on control of tonnage.	650
6103	Dec. 22	To the Ambassador in Great Britain (tel.): W. T. B. to Gunther	Disposition of Swedish tonnage.	651

PART I

Cooperation of the United States with the Allied Powers in the Supply and Distribution of Food

SUGGESTIONS MADE BY MR. HOOVER IN APRIL FOR INTERNATIONAL COOPERATION—CREATION OF THE UNITED STATES FOOD ADMINISTRATION, AUGUST 10—ESTABLISHMENT OF THE INTERNATIONAL SUGAR COMMITTEE, THE MEAT AND FATS EXECUTIVE, AND THE ALLIED PROVISIONS EXPORT COMMISSION—DELEGATION BY THE PURCHASING COMMISSION TO THE FOOD ADMINISTRATION OF THE COORDINATION OF ALLIED FOOD PURCHASES IN THE UNITED STATES

No.	Date	From and to whom	Subject	Page
4675	Apr. 12	To the Ambassador in Great Britain (tel.)	Appointment of Hoover as chairman of Food Commission of the Council of National Defense. Instructions.	652
6008	Apr. 16	From the Ambassador in Great Britain (tel.)	Reports approval of Hoover as chairman of Food Commission and of his plan for unified purchase of food in the United States.	652
6037	Apr. 19	From the Ambassador in Great Britain (tel.)	Suggestions made by Hoover for international cooperation on food questions. Approval awaited.	652
6035	Apr. 19	From the Ambassador in Great Britain (tel.)	Hoover's report and recommendations on food situation in Allied countries.	654
	Aug. 31	The Food Administrator to the British Food Controller (tel.)	Negotiations for disposal of Cuban sugar crop and proposal of an international sugar committee.	655
	Sept. 5	F. A. Representative at London to the Food Administrator (tel.)	Quotes British reply approving disposal of Cuban sugar crop.	656
	Sept. 7	F. A. Representative at London to the Food Administrator	Allies agree to a Meat and Fats Executive; mission for working out details.	656
	Sept. 21	Public statement of Food Administration	Announcement of an International Sugar Committee.	657
	Sept. 27	The Purchasing Commission to the Food Administrator	Coordination of U. S. and Allied requirements through the Food Administration and its agencies.	657

THE WHEAT CRISIS OF NOVEMBER–DECEMBER—DISCUSSIONS IN CONNECTION WITH THE INTER-ALLIED CONFERENCE—REPRESENTATION OF THE UNITED STATES ON THE INTER-ALLIED COMMISSION ON SCIENTIFIC ALIMENTATION

1089	Nov. 3	To the Chargé in Switzerland (tel.)	For publication: report of Department of Agriculture on cereal situation.	658
	Nov. 8	The Food Administrator to the F. A. Representative at London (tel.)	Purchase of Argentine wheat for Allies imperative. Discussion of situation with Wheat Executive in London suggested.	659

PART I

COOPERATION IN THE SUPPLY AND DISTRIBUTION OF FOOD—Continued

No.	Date	From and to whom	Subject	Page
	Nov. 15	The Food Administrator to the Special Representative of the F. A. (tel.)	Wheat crisis; necessity for imports from India and Australia pending Argentine harvest.	659
	Nov. 16	The Special Representative of the F. A. to the Food Administrator (tel.)	Efforts to secure immediate delivery of wheat to the Allies.	660
	Nov. 17	The Food Administrator to the Special Representative of the F. A. (tel.)	Estimation of Allied cereal requirements until next harvest and probable source of supply.	660
	Nov. 20	The Food Administrator to the Special Representative of the F. A. (tel.)	Available supplies of wheat and other grains for export from the United States and Canada.	661
81	Nov. 24 [Rec'd Nov. 25]	The F. A. Representative at London to the Food Administrator (tel.)	Quotes note from the British Food Controller to the U. S. Food Administrator on inadequacy of North American exportable grain surplus and necessity for increase.	661
	Nov. 27	The Food Administrator to the F. A. Representative at London (tel.)	Quotes his note for the British Food Controller proposing solution of wheat problem.	662
93	Dec. 16	The F. A. Representative at London to the Food Administrator (tel.)	Statement of cereal needs of the Allies, Switzerland, Greece, and Belgium.	662
96	Dec. 22	The F. A. Representative at London to the Food Administrator (tel.)	Quotes note from the British Food Controller to the U. S. Food Administrator on the critical food situation in Great Britain.	663
	Dec. 24	The Food Administrator to the F. A. Representative at London (tel.)	American cereal program met, but adequate shipping facilities not assured.	664
3023	Jan. 3, 1918	To the Ambassador in France (tel.)	The Secretary of Agriculture will name representative to study production jointly with the Allies.	664
3048	Jan. 16, 1918 [Rec'd Jan. 17]	From the Ambassador in France (tel.)	Creation of scientific committee for study of inter-Allied revictualing programs is being considered.	665
	Jan. 21, 1918	From the Food Administration	Formation of Inter-Allied Commission on Scientific Alimentation. Hoover suggests persons to represent the United States.	665

PART I

Cooperation of the United States with the Allied Powers in the Procurement and Distribution of Nitrates

No.	Date	From and to whom	Subject	Page
7119	Sept. 7, 1917	From the Ambassador in Great Britain (tel.)	British suggestion of inter-Allied nitrate commission with joint agent in Chile to arrange distribution.	666
7163	Sept. 13 [Rec'd Sept. 14]	From the Ambassador in Great Britain (tel.)	Nitrate of Soda Executive proposed; articles of agreement submitted for Allied approval.	667
7384	Oct. 10	From the Ambassador in Great Britain (tel.)	Pooling of Allied nitrate purchases agreed upon. Opposition to purchasing operations being directed from Washington.	669
5730	Nov. 5	To the Ambassador in Great Britain (tel.)	Discussion with British War Mission of purchasing agency and U. S. nitrate requirements.	670
5831	Nov. 16	To the Ambassador in Great Britain (tel.)	Suggested modifications of plan proposed by Great Britain for operation of a Nitrate of Soda Executive.	671
	Nov. 17	From the Consul General at London (tel.)	British views on the organization of the proposed Nitrate Executive.	673
	Undated [Rec'd Nov. 20]	From the Consul General at London (tel.)	Reports discussion of Department's views on Nitrate Executive.	674
	Nov. 30	To the Consul General at London (tel.)	Inquires why Japan is not included in negotiations for nitrate agreement.	675
	Dec. 4	To the Consul General at London (tel.)	Further U. S. representations regarding operation of Nitrate Executive, to be communicated to its members.	675
	Dec. 6	To the Consul General at London (tel.)	Authorization to compromise on U. S. stand regarding director of purchases for Nitrate Executive.	677
	Dec. 8 [Rec'd Dec. 9]	From the Consul General at London (tel.)	Reports progress in organization of Nitrate Executive with respect to Department's suggestions.	677
	Dec. 10 [Rec'd Dec. 11]	From the Consul General at London (tel.)	Quotes draft of nitrate agreement for U. S. approval.	678
	Dec. 15	To the Consul General at London (tel.)	Authorization to sign proposed nitrate agreement with certain reservations.	680
	Dec. 20	From the Consul General at London (tel.)	Nitrate agreement signed.	681*n*

PART I

The Far East in Relation to the War

NEGOTIATIONS CONCERNING THE EXPORTATION OF STEEL FROM THE UNITED STATES TO JAPAN AND THE CHARTERING OF JAPANESE SHIPS—NEGOTIATIONS CONCERNING ADVANTAGES TO BE ACCORDED CHINA BY THE ALLIED POWERS AND MEASURES TO BE TAKEN BY CHINA AS A BELLIGERENT; LIMITED PARTICIPATION OF THE UNITED STATES—ALLOCATION OF GERMAN AND AUSTRIAN SHIPS SEIZED BY CHINA AND SIAM—DISCUSSIONS REGARDING THE PROPOSED DISPATCH OF CHINESE TROOPS TO EUROPE; CONSIDERATION OF A REQUEST FOR JAPANESE TROOPS—ASSURANCE BY THE CHINESE GOVERNMENT, SEPTEMBER 28, AS TO RETENTION OF CONTROL OF ITS MILITARY RESOURCES—ARRANGEMENTS FOR THE PATROL OF WATERS ABOUT HAWAII BY A JAPANESE CRUISER

No.	Date	From and to whom	Subject	Page
	Undated [Rec'd Aug. 16]	From the Japanese Ambassador	Japan's demand for iron and steel.	682
	Aug. 16 [Rec'd Aug. 17]	From the Chargé in Japan (tel.)	Japanese shipping interests call attention to situation which will follow U. S. ban on export of steel.	684
	Aug. 24 [Rec'd Aug.28]	From the British Embassy	Recommends that the United States charter Japanese ships and supply Japan with shipbuilding material.	685
	Sept. 5 [Rec'd Sept. 6]	From the Minister in China (tel.)	Quotes joint note of certain Allied representatives to China regarding latter's entrance into the war; U. S. adherence requested.	685
	Sept. 7	To the Minister in China (tel.)	Inquires regarding subcharter of German and Austrian ships seized by China and regarding claim of Mohawk Navigation Co.	687
	Sept. 12	From the Minister in China (tel.)	Postponement of payments of Chinese indemnity and guaranty of continuance of educational program.	688
	Sept. 13	To the Chargé in Siam (tel.)	U. S. desire to share in apportionment of seized enemy ships.	689
	Sept. 20	To the Minister in China (tel.)	Limited adherence of the United States to Allied joint note to China regarding latter's entrance into the war.	689
339	Oct. 1	From the British Embassy	Objects to purchase by Mohawk Navigation Co. of enemy ships in Chinese waters. Presents scheme of allocation for U. S. approval.	690
	Oct. 2	From the Minister in China(tel.)	China's proposal to send troops to Europe, financed by the United States.	691
	Oct. 4	To the Minister in China (tel.)	Consideration is being given China's proposal to dispatch troops to Europe, financed by the United States.	692
	Oct. 6	From the French Ambassador	Consideration of plans for utilizing Chinese troops in Europe and for transporting them	693
	Oct. 13	To the Minister in China (tel.); the same to the Ambassador in Japan	Approves British scheme for allocation of German and Austrian ships in Chinese waters.	693

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THE FAR EAST IN RELATION TO THE WAR—Continued

No.	Date	From and to whom	Subject	Page
	Oct. 16 [Rec'd Oct. 18]	From the French Ambassador	Request that the United States attempt to obtain from China satisfactory answer to certain questions in Allied joint note.	694
	Oct. 20	To the Minister in Siam (tel.)	The United States agrees on scheme for apportioning enemy ships seized by Siam.	694
1652	Sept. 28 [Rec'd Oct. 22]	From the Minister in China	Forwards copy of his note of Sept. 28 to the Foreign Minister on China's retaining control of its military forces and equipment.	695
	Sept. 28	The Chinese Foreign Minister to the American Minister	China will retain complete control of its military forces and equipment.	695*n*
	Oct. 23	Department memorandum	France and Great Britain propose to request Japanese troops on west front and desire U. S. approval.	696
1978	Oct. 24	To the French Ambassador	Consideration of question of Japanese tonnage for transportation of Chinese troops for service with Entente armies.	696
	Oct. 30	To the Japanese Ambassador on Special Mission	Requests Japanese cruiser patrol of Hawaiian waters, in order that U. S. ship may be withdrawn.	697
	Oct. 30 [Rec'd Oct. 31]	From the Japanese Ambassador on Special Mission	Japan complies with request to patrol waters around Hawaii.	697
	Nov. 4 [Rec'd Nov. 5]	From the Minister in China (tel.)	China's assurance of sending troops to Europe; desires U. S. financial aid at once, to expedite carrying out of decision.	698
	Nov. 7 [Rec'd Nov. 8]	From the British Embassy	Proposed re-allocation and distribution of enemy ships in China and Siam to meet needs of Japan.	698
	Nov. 10	From the Minister in China (tel.)	British and French invitation to China to cooperate in economic blockade of Central powers.	700
	Nov. 15	From the Minister in China (tel.)	Recommendations in regard to method of financing Chinese expedition to Europe.	700
505	Nov. 13 [Rec'd Nov. 16]	From the British Ambassador	A Chinese combatant brigade in Europe is inadvisable at present.	700
	Nov. 17	To the Minister in China (tel.)	Inquires meaning of proposed economic blockade of Central powers.	701
1672	Oct. 15 [Rec'd Nov. 19]	From the Minister in China	Forwards copy of Foreign Minister's reply to joint note of Allied Ministers regarding measures to be taken by China as a belligerent.	701
	Nov. 19	To the Ambassador in Japan (tel.)	Instructions to endeavor to obtain Japan's reply to proposed re-allocation and distribution of ships in China and Siam.	703

PART I

The Far East in Relation to the War—Continued

PLANS FOR THE DEPORTATION OF ENEMY SUBJECTS FROM CHINA TO AUSTRALIA; SUPPORT BY THE UNITED STATES—PUBLICATION OF THE RUSSO-JAPANESE SECRET TREATY OF JULY 3, 1916

No.	Date	From and to whom	Subject	Page
544	Nov. 27	From the British Embassy	China's proposed treatment of enemy subjects unsatisfactory. General deportation suggested.	703
	Dec. 6	From the Minister in China (tel.)	Blockade of Central powers referred to means embargo on exports to Holland and Scandinavia. China is asked to cooperate.	705
	Dec. 7 [Rec'd Dec. 8]	From the French Embassy	Cites Austro-German disturbances in China and urges enemy internment in Australia.	705
	Dec. 10	From the British Embassy	Japan supports Allies' proposal to urge upon China deportation of enemy subjects.	706
	Dec. 11	To the Minister in China (tel.)	Inquires regarding feasibility of plan to expel enemy subjects from China for internment in Australia.	706
	Dec. 14	To the Minister in China (tel.)	Expedient for China to adopt plan similar to U. S. measures regarding treatment of enemy subjects and their property.	707
	Dec. 14	From the Minister in China (tel.)	Recommendations regarding deportation of enemies from China.	708
1905	Dec. 15	To the Ambassador in Russia (tel.)	Instructions to investigate reported German intention to resume relations with Japan and China through cooperation of Russia.	708
	Dec. 18	To the Minister in China (tel.)	Favors deportation and internment in Australia of enemy subjects in China.	709
2118	Dec. 18 [Rec'd Dec. 22]	From the Ambassador in Russia (tel.)	Publication of Russo-Japanese secret treaties by Soviet. Provisions of treaty of July 3, 1916.	709
	Dec. 23	From the Minister in China (tel.)	China's participation in the war dependent upon U. S. financial support. Plans forming.	710
2127	Dec. 21 [Rec'd Dec. 23]	From the Ambassador in Russia (tel.)	Japanese Embassy's statement published in Petrograd disclaiming character attributed to secret treaty.	711
6119	Dec. 26	To the Ambassador in Great Britain (tel.): McAdoo to Crosby	Instructions to lay before Inter-Allied Council project of sending Chinese troops to Europe.	712
	Dec. 26	To the Minister in China (tel.)	Favors financial assistance to China for military expedition. Approval of Inter-Allied Council awaited.	712
	Dec. 27	From the Minister in Siam (tel.)	Charter contracts signed for ships allotted the United States.	713
	Dec. 27 [Rec'd Dec. 28]	From the Minister in China (tel.)	Asks permission to support proposal of Allied representatives to deport enemy subjects in China.	713

PART I

THE FAR EAST IN RELATION TO THE WAR—Continued

No.	Date	From and to whom	Subject	Page
15	Dec. 3 [Rec'd Dec. 29]	From the Ambassador in Japan	Japan's negotiations with the United States for purchase of steel for shipbuilding; Japanese official statement to the press.	713
	Dec. 29	To the Minister in China (tel.)	Inquiry regarding place to which it is proposed to deport enemy subjects.	720
	Dec. 29	To the Consul General at Shanghai (tel.)	Authorization to sign charter parties for certain seized enemy ships.	720
	Dec. 30	From the Minister in China (tel.)	Allied powers favor proposal that Chinese forces participate in the war.	720
	Dec. 31	From the Minister in China (tel.)	Allied representatives contemplate deportation to Australia of all enemy subjects in China.	721
	Jan. 3, 1918	To the Minister in China (tel.)	Permission granted to support Allied representatives for deportation of all enemy subjects from China.	721

DIPLOMATIC AND FINANCIAL RELATIONS WITH RUMANIA

1256	May 7, 1917 [Rec'd May 9]	From the Ambassador in Russia (tel.)	Rumania desires a legation in the United States and inquires if Rumanians will be accepted in the U. S. Army.	721
1423	May 21	To the Ambassador in Russia (tel.); to repeat in part to the Minister in Rumania	McAdoo inquires possibility of sending goods to Rumania through Archangel, and advisability of war loan to Rumania.	722
1319	May 24 [Rec'd May 27]	From the Ambassador in Russia (tel.): to McAdoo	Rumanian situation: recommendations regarding loan, shipments, etc.	722
1446	May 28	To the Ambassador in Russia (tel.)	A Rumanian representative will be received by the United States.	723
80	June 5 [Rec'd June 14]	Fom the Chargé in Rumania (tel.)	Rumanian representations regarding loans and national aspirations of Rumanians in Hungary.	723
1640	Aug. 17 [Rec'd Aug. 21]	From the Ambassador in Russia (tel.); to McAdoo and Baker also	U. S. financial aid to Rumania is recommended to prevent enemy occupation.	724
122	Aug. 22 [Rec'd Aug. 27]	From the Chargé in Rumania (tel.)	Rumania names its Minister to the United States. Acceptance requested.	725
1674	Sept. 1	To the Ambassador in Russia (tel.)	Representative will be sent to Rumania to ascertain means of keeping that country with the Allies.	725
1675	Sept. 1	To the Ambassador in Russia (tel.)	Discussion of satisfactory arrangement for rendering aid to Rumania.	726

PART I

Diplomatic and Financial Relations with Rumania—Continued

No.	Date	From and to whom	Subject	Page
51	Sept. 5	To the Chargé in Rumania (tel.)	Rumanian Minister named is agreeable to the United States. Sending of experts to discuss Rumanian needs is requested.	727
	Aug. 30 [Rec'd Sept. 8]	From the Chargé in Rumania (tel.)	Recommends definite assurance of help for Rumania, now impatient. Danger of separate peace.	727
1724	Sept. 9 [Rec'd Sept. 11]	From the Ambassador in Russia (tel.)	Russia is logical source of Rumania's food supply; U. S. compensation therefor not recommended.	728
1737	Sept. 12 [Rec'd Sept. 16]	From the Ambassador in Russia (tel.); for Baker also: from Judson	Report on Rumanian situation with recommendations.	729
1779	Oct. 15	To the Ambassador in Russia (tel.)	Instructions to urge Russia to furnish proper supplies to Rumania.	730
5615	Oct. 17	To the Ambassador in Great Britain (tel.): from McAdoo	Requests report from London conference on Rumanian affairs. Instructions to inform conference of U. S. loans available for Rumania.	730
1864	Oct. 14 [Rec'd Oct. 19]	From the Ambassador in Russia (tel.)	Have notified Rumanian Minister of necessity for authorized Rumanian agent in the United States to sign obligations.	731
5650	Oct. 23	To the Minister in Rumania (tel.): from McAdoo	Financial arrangement with Russia for supplying food to Rumania.	732
3	Nov. 14	From the Delegate to the Inter-Allied Council (tel.): to McAdoo	Rumanian Minister stopping in Paris, will leave soon for America.	733
13	Dec. 4 [Rec'd Dec. 6]	From the Delegate to the Inter-Allied Council (tel.): to McAdoo	Recommends temporary arrangement of credit furnished by three of Associated Governments for Rumanian aid.	733
5995	Dec. 8	To the Ambassador in Great Britain (tel.): McAdoo to Crosby	Approves joint loan to Rumania. Quotes urgent message from Jassy suggesting action to prevent Rumanian separate peace.	734
2978	Jan. 1, 1918 [Rec'd Jan. 2]	From the Ambassador in France (tel.)	Forwards joint telegram of Dec. 27 from certain of Associated Ministers at Jassy to their Governments on arrangements to extend credit to Rumania for food.	735
	Jan. 15, 1918	Remarks of Rumanian Minister to President Wilson	Presentation of letters of credence.	736
	Jan. 15, 1918	President Wilson's reply to Rumanian Minister	Acceptance of letters of credence.	737

PART I

THE ATTITUDE OF THE UNITED STATES AND THE ALLIED POWERS TOWARD THE SOCIALIST CONFERENCE AT STOCKHOLM

No.	Date	From and to whom	Subject	Page
362	May 14, 1917 [Rec'd May 15]	From the Minister in Sweden (tel.)	Quotes telegram from Allied representatives to their Governments recommending participation, under certain defined conditions, in Socialist conference at Stockholm in June.	738
	May 22	To the Ambassador in Great Britain (tel.); the same to diplomatic officers in certain other countries	No passports will be issued by the United States to Socialists to attend Stockholm conference.	739
	May 29	The Dutch-Scandinavian Socialist Committee to President Wilson (tel.)	Protest against U. S. refusal of passports for Stockholm conference.	739
416	June 5 [Rec'd June 6]	From the Minister in Sweden (tel.)	Quotes proclamation of Executive Committee of Council of Workmen's and Soldiers' Deputies: appeal for common decisive action for peace in Stockholm conference.	740
	June 8	From the British Ambassador	Presents Balfour's note to him stating that British Socialists have been granted passports to visit Petrograd; inadvisable to deny them permission to attend Stockholm conference.	741
	June 12 [Rec'd June 14]	From the Editor of the Chicago *Tribune*	Forwards statement of correspondent in Stockholm regarding participation in the conference by U. S. Socialists.	742
	June 14	To the Editor of the Chicago *Tribune*	Consideration will be given correspondent's message regarding participation in Stockholm conference.	743
470	June 18 [Rec'd June 19]	From the Minister in Sweden (tel.)	Individuals claiming to represent American Socialist parties arrive at Stockholm. Official statement for press requested.	744
250	June 22	To the Minister in Sweden (tel.)	Information will be sent to counteract statements of those claiming to represent U. S. Socialist parties at Stockholm.	744
1521	June 28	To the Ambassador in Russia (tel.): Gompers to Duncan	Executive Council of American Federation of Labor declines to participate in proposed Stockholm conference, Sept. 17.	745
1574	July 16	To the Ambassador in Russia (tel.)	Inquiry regarding proposed conference, presumably in Petrograd, to which U. S. Socialist Party has been invited.	746
5173	July 20	To the Ambassador in Great Britain (tel.); *mutatis mutandis*, to the Ambassador in France	Inquires British attitude toward proposed Socialist conference, also whether considered official or involving German intrigue.	746

PART I

THE ATTITUDE OF THE UNITED STATES AND THE ALLIED POWERS TOWARD THE SOCIALIST CONFERENCE AT STOCKHOLM—Continued

No.	Date	From and to whom	Subject	Page
1535	July 20 [Rec'd July 21]	From the Ambassador in Russia (tel.)	Unfavorable report on proposed Socialist conference.	747
2320	July 22 [Rec'd July 23]	From the Ambassador in France (tel.)	Allies will act in unison regarding Socialist conference. Unfavorable attitude of France.	747
6826	July 27	From the Ambassador in Great Britain (tel.)	Henderson states British Labor Party will support Stockholm conference in principle.	749
5222	July 28	To the Ambassador in Great Britain (tel.)	Assumes that reference in 6826 to Stockholm conference was intended to be Petrograd conference.	749
6848	July 30	From the Ambassador in Great Britain (tel.)	Reference to Stockholm conference in 6826 is correct: to be held there. British attitude not yet determined.	749
	Aug. 1	From the British Embassy	British Government not committed, by reason of Henderson's presence, to any decisions arrived at in Socialist conferences.	750
2354	Aug. 2 [Rec'd Aug. 3]	From the Ambassador in France (tel.)	Convinced that neither England, France, nor Italy will permit delegates to Stockholm. Henderson criticized for attending preliminary Socialist conference.	750
5251	Aug. 3	To the Ambassador in Great Britain (tel.); *mutatis mutandis*, to the Ambassador in France	Inquires whether British Socialists will be permitted to attend Stockholm conference.	751
6893	Aug. 4	From the Ambassador in Great Britain (tel.)	Proposed conference at London of representatives of Labor and Socialist parties, approved by British Government.	751
6894	Aug. 4	From the Ambassador in Great Britain (tel.)	Attendance of British delegates at Stockholm conference is under consideration.	751
5267	Aug. 7	To the Ambassador in Great Britain (tel.); *mutatis mutandis*, to the Ambassador in France	Socialist delegate to Stockholm conference refused passport by the United States.	752
2370	Aug. 7	From the Ambassador in France (tel.)	France opposed to allowing its Socialist delegates to attend Stockholm conference.	752
6937	Aug. 13	From the Ambassador in Great Britain (tel.)	Henderson forced to resign from the Cabinet.	752
6951	Aug. 14	From the Ambassador in Great Britain (tel.)	British permission to attend Stockholm conference will not be granted.	753
1634	Aug. 16 [Rec'd Aug. 19]	From the Ambassador in Russia (tel.)	Discussion of Stockholm Socialist conference with Kerensky and Foreign Minister, also with Allied Ambassadors.	753

PART I

THE ATTITUDE OF THE UNITED STATES AND THE ALLIED POWERS TOWARD THE SOCIALIST CONFERENCE AT STOCKHOLM—Continued

No.	Date	From and to whom	Subject	Page
1655	Aug. 28	To the Ambassador in Russia (tel.)	U. S. passports refused persons desiring to attend Stockholm conference.	754
697	Aug. 30 [Rec'd Aug. 31]	From the Minister in Sweden (tel.)	Russian criticism of America for not permitting delegates to attend Stockholm conference.	755

UNITED STATES DECLARATION OF RESPECT FOR THE NEUTRALITY OF SWITZERLAND

1969	Nov. 1 [Rec'd Nov. 3]	From the Chargé in Switzerland (tel.)	Switzerland suggests that the United States declare its intention to observe Swiss neutrality.	755
5895	Nov. 24	To the Ambassador in Great Britain (tel.); the same to the Ambassadors in France and Italy	Inquires if Government to which accredited would object to U. S. declaration of intention to observe Swiss neutrality.	756
2809	Nov. 27 [Rec'd Nov. 28]	From the Ambassador in France (tel.)	France sees no objection to U. S. declaration regarding Swiss neutrality.	756
7832	Nov. 29	From the Ambassador in Great Britain (tel.)	Great Britain considers that Allied powers should make simultaneous declaration of Swiss inviolability.	757
	Nov. 30	From the Ambassador in Italy (tel.)	Italy sees no objection to U. S. declaration regarding Swiss neutrality.	757
1171	Nov. 30	To the Chargé in Switzerland (tel.)	Instructions to present formally to Switzerland U. S. assurance of respect for Swiss neutrality.	758
113 G. R.	Dec. 12	Chief of the Swiss Political Department to the American Chargé	Appreciation of U. S. friendliness; assurance of determination to maintain neutrality.	758

RELATIONS OF THE UNITED STATES WITH THE POLISH NATIONAL COMMITTEE

	July 23 [Rec'd July 24]	From the British Embassy	Suggests a Polish committee to represent Poles in each of Allied countries, in recognition of Poland's claim to independence.	759
5344	Aug. 27	To the Ambassador in Great Britain (tel.)	Instructions to report British attitude toward formation in the United States of a Polish provisional government and establishment of a military force.	760
	Sept. 3 [Rec'd Sept. 4]	From the British Embassy	Organization of Polish National Committee at Paris; U. S. views regarding recognition requested.	761

PART I

RELATIONS OF THE UNITED STATES WITH THE POLISH NATIONAL COMMITTEE—Con.

No.	Date	From and to whom	Subject	Page
7098	Sept. 4 [Rec'd Sept. 5]	From the Ambassador in Great Britain (tel.)	British attitude toward formation in the United States of a Polish provisional government and establishment of a military force.	762
	Oct. 4	Representative of Polish National Committee to President Wilson (tel.)	Plea on behalf of Polish organization in Chicago for sanction of a Polish army and recognition of Polish National Committee at Paris.	762
	Oct. 8	Public statement of War Department	Proposed campaign for recruiting in the United States for Polish Army.	765
2703	Oct. 8	To the Ambassador in France (tel.)	Inclined to recognize officially Polish National Committee at Paris. A formal request for recognition is suggested.	765
	Oct. 11	From the British Embassy	British Government willing to recognize Polish National Committee, Paris, as official. U. S. views requested.	766
2591	Oct. 11 [Rec'd Oct. 12]	From the Ambassador in France (tel.)	French endorsement of Polish National Committee; its personnel, purposes, and parties represented.	766
1860	Oct. 11 [Rec'd Oct. 14]	From the Ambassador in Russia (tel.)	Foreign Minister asks U. S. assent to a Russian declaration of Poland's independence on occasion of Kosciuszko memorial ceremonies in Petrograd.	769
2715	Oct. 15	To the Ambassador in France (tel.)	Reported that Russia's recognition not requested by Polish National Committee; the United States will act with Russia.	769
1778	Oct. 15	To the Ambassador in Russia (tel.)	Department desires to work in harmony with Russia in matter of recognizing Polish National Committee.	771
2622	Oct. 19 [Rec'd Oct. 21]	From the Ambassador in France (tel.)	Quotes note and memorandum of President of Polish National Committee: request for recognition; Committee's attitude toward Russia. Comments.	771
1879	Oct. 17 [Rec'd Oct. 22]	From the Ambassador in Russia (tel.)	Official Russian declaration of Polish independence read by Foreign Minister in Polish meeting at Petrograd. Speeches of Ambassadors quoted.	775
1896	Oct. 22 [Rec'd Oct. 28]	From the Ambassador in Russia (tel.)	Russian recognition of Polish National Committee deemed impractical and separate Polish army in Russia impossible.	776
1907	Oct. 24 [Rec'd Oct. 27]	From the Ambassador in Russia (tel.)	Russian announcement of recognition of Polish National Committee.	777
1824	Nov. 2	To the Ambassador in Russia (tel.)	U. S. recognition of Polish National Committee can not longer be delayed.	777
	Nov. 5	Department memorandum	Italy has recognized the Polish National Committee at Paris.	778

PART I

RELATIONS OF THE UNITED STATES WITH THE POLISH NATIONAL COMMITTEE—Con.

No.	Date	From and to whom	Subject	Page
2799	Nov. 10	To the Ambassador in France (tel.)	The United States extends formal recognition to the Polish National Committee at Paris.	778
2017	Nov. 24 [Rec'd Nov. 26]	From the Ambassador in Russia (tel.)	Questions relative to Polish National Committee must await stable government in Russia.	779
5805	Nov. 9 [Rec'd Nov. 27]	From the Ambassador in France	Transmits letter of Oct. 24 from Mr. Marjan Seyda for the Polish National Committee on the political situation in Poland.	779
5843	Nov. 23 [Rec'd Dec. 10]	From the Ambassador in France	Transmits letter of Nov. 13 from the President of the Polish National Committee on German political offensive and emancipation of nationalities.	785
	Dec. 20	To the Representative of the Polish National Committee	No objection to establishment of bureau in Washington or New York for identification of Poles, etc.	790

RELATIONS OF THE UNITED STATES WITH THE ARMENIAN NATIONAL DELEGATION

2294	May 29	To the Ambassador in France (tel.)	Inquiry regarding status of Armenian representative accredited to France.	791
2144	June 2	From the Ambassador in France (tel.)	No Armenian representative is accredited to France; Boghos Nubar is authority on Armenian affairs.	791
5500	June 1 [Rec'd June 13]	From the Ambassador in France	Transmits letter of May 24 from the President of the Armenian National Delegation proposing an autonomous Armenia, composed of Armenian territory in Asiatic Turkey, under Allied protection.	791
	Sept. 12 [Rec'd Nov. 3]	From the President of the Armenian National Delegation	The United States is requested to receive representative of Armenian National Delegation, seeking liberation of Armenians from Turkish yoke.	795
	Nov. 27	To the President of the Armenian National Delegation	Acknowledges letter designating representative of Armenian National Delegation to Washington.	796

PART I

THE CONTINUATION OF THE WAR—PARTICIPATION OF THE UNITED STATES

PART I

THE CONTINUATION OF THE WAR—PARTICIPATION OF THE UNITED STATES

THE CONDUCT OF THE WAR—DISCUSSIONS REGARDING PEACE

Preparations for the Entrance of the United States into the War

File No. 841.10/4

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *February 9, 1917, 10 a. m.*
[*Received 12.45 p. m.*]

5644. Would the Department consider it useful if I compiled a brief statement of the practical working value of legislation and regulations and orders and ordinances and practices that the British Government have found most useful since the war began? I could do this secretly, using of course all the principal men of my staff and attachés and confidentially consulting the several departments of the British Government to get their opinions of the relative values of their chief activities. I am sure the Prime Minister would cause some doors to open that have hitherto been closed. They are now much more communicative than they have ever before been apparently, and I may be able to procure, against any emergency that may await us, some useful suggestions out of their actual experience.

Among the larger subjects that now occur to me are their actions concerning: finance and financial methods, railways, public utilities, shipping, internment methods and camps, perhaps secret-service methods, cooperation with allies, excess profits, controlled factories, volunteer committees, reorganization of executive departments, work of women, censorship methods and organization, and many more.

The naval and military attachés of course report continuously on their respective subjects. Please telegraph reply at once.[1]

PAGE

[1] Answered Feb. 10, No. 4427, "By all means."

File No. 841.10

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *March 8, 1917, 6 p. m.*

4518. For Bell[1] from Gibson:[2]

Did you not make report in despatch concerning steps taken by British Government on outbreak of war, covering censorship, registration of aliens, etc.? Unable to find it or instruction on which it was based in files here. Please telegraph dates and forward copy by bag.

LANSING

File No. 841.10/1

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *March 9, 1917, 4 p. m.*
[*Received 7 p. m.*]

5818. Your 4508 [*4518*], March 8, 6 p. m. For Gibson from Bell:[3]

Instruction you have in mind was a telegram from War College to Squier[4] April 25, 1916, which was answered by telegram April 26 giving measures taken by the police on the outbreak of war and supplemented by Captain Miller's report in Squier's despatch 3684, April 29.

For censorship see Squier's despatches to the War College: 2615, October 28, 1914; 2897, March 12, 1915; 3014, May 5, 1915. These reports though not up to date are very valuable as showing the mistakes of inexperience against which we should guard. See also my confidential letter with memorandum to Leland Harrison February 12 last.

See Ambassador's despatch 5857, February 28 last, for Littlefield's report on internment of aliens. Do you want any more?

PAGE

File No. 841.10/2a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *March 16, 1917, 11 a. m.*

4551. In order to be prepared for possible eventualities Department would like to have available all information concerning pre-

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[1] Edward Bell, Secretary of the Embassy.
[2] Hugh S. Gibson, Co-Chief of the Division of Foreign Intelligence.
[3] The reports referred to in this message are not printed.
[4] Lt. Col. George O. Squier, military attaché at London.

cautionary measures taken by belligerent governments upon outbreak of war and subsequently. Particularly require detailed information concerning registration of aliens and measures taken to control cable and telegraph lines, but should greatly appreciate any data which would enable this Government to benefit by the experience of British Government.[1] LANSING

File No. 763.72/3579

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *March 23, 1917, 7 p. m.*
[*Received 11 p. m.*]

5880. Mr. Balfour has shown me the informal suggestion conveyed by the Navy Department through Gaunt[2] regarding closer naval relations and his reply. The British Government will heartily fall in with any plan we propose as soon as cooperation can be formally established. It was intimated to me that a submarine base on the coast of Ireland would then be assented to.

The whole subject of active cooperation and the best methods to bring it about have been informally discussed by me with Mr. Balfour, Mr. Bonar Law, the Prime Minister, Admiral Jellicoe, and others at their invitation, and they will most gladly assent to any proposals that we are likely to make. They withhold proposals of their own until the way has formally been opened by us lest they should seem to push themselves upon us, which they of course do not wish to do.

I know personally and informally that they hope for the establishment of full and frank naval interchange of information and cooperation. Knowing their spirit and their methods I can not too strongly recommend that our Government send here immediately an admiral of our Navy who will bring our Navy's plans and inquiries. The coming of such an officer of high rank would be regarded as a compliment and he would have all doors opened to him and a sort of special staff appointed to give him the results and methods of the whole British naval work since the war began. Every important ally has an officer of such high rank here. In a private conversation with me to-day at luncheon Mr. Balfour expressed his enthusiastic hope that such a plan would be immediately carried out. Many things of the greatest value would be verbally made known to such an officer which would never be given in a routine way nor reduced to writing.

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[1] Of the several answers to this telegram, those conveying detailed information regarding administrative measures are not printed.

[2] Capt. Guy Gaunt, British naval attaché at Washington.

Admiral Jellicoe has privately expressed the hope to me that our Navy may see its way to patrol our coast and possibly relieve the British cruisers now on our side the Atlantic. He hopes too that in case more German raiders go out we may help capture them in waters where they prey on shipping from Mexico or South America.

If our Navy Department will send an admiral it would be advantageous for me to be informed as soon as possible. The confidential information that he will come by would be of immediate help. Such an officer could further definite plans for full cooperation.

PAGE

File No. 763.72112/4103a

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *March 24, 1917* [*6 p. m.*]

4586. It has been suggested that it would be desirable for you to get in touch informally with Foreign Trade Bureau, British Government, with the idea of getting their views as to possibility cooperation. If in your judgment it can be properly done at this time suggest you have interview with proper officials apparently on your own initiative and cable result.[1] POLK

File No. 763.72/3588

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *March 24, 1917, 6 p. m.*
[*Received March 26, 12.30 a. m.*]

5887. Your 4551, March 16, 11 a. m. At the invitation of the British military authorities and in pursuit of information from every possible quarter, I consented that one of the secretaries of the Embassy should make a few days' private and unofficial visit to the British headquarters in France. He reports that the feeling among all ranks is friendly and sympathetic to the United States and that it is the earnest hope of those in higher command that if our country enters the war we will not wait until an army could be trained and equipped in order to cooperate with the Allies in France, but that we send smaller units immediately or that Americans be allowed to come to England for enlistment and training. It was also suggested that regiment might be recruited among Americans in this country and trained by Americans who are serving with the British Army in large numbers as officers and men. This practical cooperation is desirable purely for the moral effect.

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[1] Telegraphic replies not printed; for British suggestions see Vol. II, p. 808.

The staff general at the head of the Army Intelligence stated that it would be most important to establish an American liaison in France immediately upon the outbreak of war and he added, "Colonel Lassiter [1] would be the ideal man to head such a mission."

The general also said that it would be advisable to attach at the same time to the head of such a military mission a secretary of this Embassy who would know and understand the British officers and work in close harmony with them, and the intelligence corps and publicity bureau. The general believed that in this way more time could be saved, and the chance of leakage minimized, than if important matters were handled through the routine channel of communication. I learn that Lassiter during his recent initial visit to the front made the most favorable impression on all officers with whom he came in contact and they were very loud in his praise and I hope this may be communicated to the Secretary of War.

PAGE

File No. 841.10/6

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *March 26, 1917, 6 p. m.*
[*Received 8 p. m.*]

5895. Your 4551, March 18 [*16*], 11 a. m. My investigations and conversations with officers in various departments of the British Government bring out the fact that much valuable time was lost in the early part of the war because prompter action was not taken on the following subjects:

1. A separate Department of Munitions ought to have been created at the very beginning and factories should have been put under Government control and regulation at once.

2. Conscription under the designation of national service for every man according to his capacity should have been immediately put into effect.

3. Contraband list should have been made complete at the very beginning and the blockade more promptly made effective.

4. The laying down of merchant shipping, especially small vessels, should have been ordered both in home and neutral shipyards to their utmost limit of production and a controller of shipping immediately appointed with large powers.

5. Rolling stock and railway equipment should have been treated in the same urgent fashion.

PAGE

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[1] Col. William Lassiter, military attaché at London.

File No. 763.72/3579

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *March 27, 1917, 6 p. m.*

4599. Your 5880, March 23, 7 p. m. Admiral will be sent as soon as possible.[1] LANSING

File No. 763.72/3683a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *April 3, 1917, 3 p. m.*

4631. Crawford[2] of British Embassy informally discussed subject of cooperation with Secretary of Treasury and has reported to his Government. Suggestion was made that there be committees here to handle shipping, munitions, and finances. Department can take no formal steps until Congress has acted.

LANSING

File No. 763.72/3669½

The French Ambassador (Jusserand) to the Secretary of State

WASHINGTON, *April 5, 1917.*

MY DEAR MR. SECRETARY: Referring to our conversation of yesterday, I beg to confirm what I said of my Government's intention to send to the United States, if agreeable to President Wilson, a mission formed of two or three of our most noteworthy citizens who would be entrusted with the care of expressing to him, whose recent utterances have created among us such a deep impression, and to the American people, our sentiments of friendship and our trust in the successful issue of our common efforts.

The mission would be composed of Mr. Viviani, Vice President of the Council of Ministers, of Marshal Joffre, and probably a vice admiral.

Nothing will be done until we know how this project would be considered by the President whose address of last Monday has won him equal admiration on both sides of the ocean.

Believe me [etc.] JUSSERAND

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[1] Admiral W. S. Sims sailed Mar. 31.

[2] Sir Richard Crawford, Commercial Adviser.

File No. 033.4111/195

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 5, 1917, 5 a. m.*
[Received 5.30 p. m.]

5946. The British Cabinet wish Mr. Balfour to go to the United States as the head of a commission to confer with our Government. They select him not only because he is Secretary of State for Foreign Affairs but because he is also the most distinguished member of the Government. An intimation from the President that this will be agreeable would be welcomed. The utmost secrecy is desired.

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File No. 763.72/3676

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 5, 1917, 2 p. m.*
[Received 8.30 p. m.]

5945. Colonel Lassiter requests following may be transmitted to Kuhn, War College:

Interview with Chief, General Staff, offered send mission of selected officers to America to help start training and organize censorship; thought our troops should be trained at home and not hurried to France before being trained; shipping now urgently needed for food and munitions; our aviators and mechanics would be very helpful in France; said we could get such things as howitzers and aeroplane designs as soon as we are desirous enter the war. Lassiter.

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File No. 763.72/3684

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 5, 1917, 7 p. m.*
[Received April 6, 6.10 a. m.]

5941. Your 4631, April 4 [*3*], 3 p. m. Mr. Balfour after conferences with several departments of the Government is preparing a number of questions and suggestions about British cooperation. They will be telegraphed almost immediately. He quite frankly, but very confidentially, expressed his preference for dealing with

you through me rather than through Spring Rice, although he will inform Spring Rice of all he does. I am told by all departments that all information which we wish will be put at our command. The chief idea thus far developed is that a mission of experts could with advantage be at once established by each Government in the capital of the other. Some of these might be permanent, some temporary. I think we might advantageously send here immediately the following, besides an admiral: a general; a financial expert representing the Treasury or the Reserve Board; a shipping expert, because the problem of shipping is the most pressing of all problems; a secret-service expert; a censor to study this elaborate system of telegraph, mail, and press. There will be a great advantage in having men here to study these subjects at first hand some of whom will return to help carry out the work at home. I can arrange for office room in order to secure chancery buildings for most of them and I can open all doors and the several Government departments for them without loss of time. These experts and members of my staff having offices in the same buildings can work to mutual advantage as practically one force.

I recommend the appointment of Hoover as shipping expert to begin work at once. His experience with Belgian relief has made him familiar with the subject and he is a most resourceful man and has to a remarkable degree the confidence of the British Government.

As for political cooperation, some at least of our old difficulties will now automatically be dropped.

I imagine there are yet technical if not other difficulties in the way of our signing the pact of London and thereby pledging ourselves not to make a separate peace nor does this yet matter much. Immediate performance is perhaps not necessary but intimation of the President's mind looking towards this general subject would be advantageous as soon as he is willing to give it.

On political cooperation, I await your instruction.

Nothing could exceed the gratitude and appreciation of the whole British Government and public, and of all their private and journalistic spokesmen, upon our entry into the war. The truth is the Allies need our help far more than they have hitherto confessed. Especially is the submarine danger greater than the British have publicly made known. The President's speech is everywhere received as an historic utterance in the noblest note of world statesmanship.

PAGE

The Announcement of a State of War between the United States and Germany, April 6—Plans of Cooperation with the Allied Powers: The British and French Special Missions

File No. 763.72/3697a

The Secretary of State to the Diplomatic Representatives in All Countries except Russia[1]

[Circular telegram]

WASHINGTON, *April 6, 1917.*

On April 6 Congress declared and President proclaimed that a state of war exists between the United States and the Imperial German Government. So inform the Government to which you are accredited.

LANSING

File No. 763.72/3759

The Secretary of State to the Ambassador in Turkey (Elkus)

[Telegram]

WASHINGTON, *April 6, 1917, 5 p. m.*

3495. Morgenthau[2] called here yesterday and thought it desirable that you personally have a private interview with Enver and remind him of the cordial feelings the United States entertains for Turkey, and make strong representations of the advantages to Turkey in maintaining friendly relations with this country, and intimate to him that owing to the United States entering into the war the chances of an early peace are greatly improved and the likelihood of German success vastly diminished, and that therefore Turkey should not sever her friendly relations with the United States.

LANSING

File No. 763.72/3730

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 6, 1917, 3 p. m.*
[*Received 6 p. m.*]

5949. My 5941, April 5, 7 p. m. Following my conversation with Mr. Balfour, I have just received from him a memorandum of the chief needs of the Allies which he sends to me informally for transmission to you. It is as follows:

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[1] Telegram to the Ambassador in Russia printed in *Foreign Relations*, 1918, Russia, Vol. I, p. 20.

[2] Henry Morgenthau, former Ambassador in Turkey; retired July, 1916.

Without doubt the most pressing need of the Allies at this moment is shipping. This is not merely, nor even perhaps mainly, due to the fact that Great Britain being an island largely dependent for its foodstuffs on oversea sources of supply, communications with these is not a luxury but a necessity. The difference between Great Britain on the one hand and France and Italy on the other is in this respect not so great as might be supposed. Both France and Italy are largely dependent upon imported foodstuffs and in addition they require coal and iron from the United Kingdom.

The truth is that tonnage is as much a military as any necessity. About half of the British mercantile marine is now devoted to war services and the assistance of our Allies.

Quite apart, therefore, from German piracy the tonnage question would be important and difficult and if the rate of loss by submarine attack is going to be maintained (and according to our calculation it is likely to increase rather than diminish) it becomes evident not merely from the point of view of Great Britain, but from that of the Allies generally, that the tonnage problem is the one most urgently in need of solution. If Your Excellency asks how the United States can contribute to lighten this particular difficulty, I venture to lay before you the following suggestions for consideration:

(1) The seizure of enemy ships and their employment at the earliest moment on the important trade routes;
(2) The charter of neutral shipping which might be transferred from the European trade to safer waters;
(3) The release of shipping from coastal or lake trade to work on the main lines of communication; and most important of all—
(4) The rapid increase of shipbuilding to the extreme limits of possible production not only during the present year but also during next year.

This work will no doubt have to be carried on chiefly in American yards, but I would press upon Your Excellency that even in British yards shipbuilding might be increased could an additional supply of steel be obtained from the United States of America, a matter which we greatly hope may be taken into favourable consideration by the American Government.

In this connection I would beg Your Excellency to consider whether it would not be desirable, as it would certainly be legitimate, to requisition ships now building for neutrals in the yards of the United States.

The second need of the Allies, in order of immediate importance, is financial, especially, for the purpose of facilitating the purchase in the United States by the Allied countries of munitions and other necessaries. As Your Excellency is aware, the difficulty in this case is largely one of exchange. The imports of the Allies from the United States far exceed their exports to that country and the balance of indebtedness has to be met in some other fashion. Practically the whole burden of so meeting it has hitherto been borne by the United Kingdom but our power to finance, not merely ourselves, but all our Allies has inevitable limitations and if the burden could be diminished by direct arrangements between the United

States and the various Allied countries immense assistance would thereby be given towards the efficient conduct of the war. Great care would no doubt have to be taken lest this change should lead to competitive buying by one belligerent country against another in the same market, but good organization and mutual confidence should be sufficient to guard against so unfortunate a result.

In the third place (while I am on the subject of transport and supply) I ought to mention the extreme need of all the Allies, and especially the Russians, for locomotives and other rolling stock, nor is it merely material that is required. If all stories are true the capacity of the Vladivostok railway and port could be many times increased if America could provide not merely the needful rolling stock but the still more needful management; this no doubt might involve a somewhat difficult and delicate negotiation with the Russian Government but if they were convinced that American management was purely a war measure and had no financial aspect, something important might be accomplished towards making the efficiency of organizations correspond more closely with the size of Russia's territories and the number of her population.

I have said nothing so far on the question of naval and military assistance though, if the war last, the service that could be rendered by the United States to the cause of the Allies in this direction is incalculable.

As regards maritime affairs, indeed there seems so far as we can judge, to be no immediate sphere of employment for the American battle fleet, but the share which American cruisers could take in policing the Atlantic is of the greatest importance and all craft from destroyers downwards capable of dealing with submarines would be absolutely invaluable.

It is in the matter of fighting men however that the most vital aid could be given to the Allied cause should the war unhappily continue. The experience of the British Empire has shown what can be done by a nonmilitary nation in the creation of a military force. Doubtless the United States with a far larger population could better the example should the necessity arise. It must be admitted no doubt that after the United States had determined on the best method of training their new levies, difficult questions of transport will arise but on these I need say nothing in this memorandum.

In conclusion let me assure Your Excellency that any lessons which we may have succeeded in learning from two and a half years' fighting are entirely at the disposal of your Government and that we shall be glad to place at your service experts familiar with the new problems of which the present war has produced so plentiful a supply.

PAGE

File No. 763.72/3669½

The Secretary of State to the French Ambassador (Jusserand)

WASHINGTON, *April 8, 1917.*

MY DEAR MR. AMBASSADOR: I took the first opportunity to speak to the President of the proposal of your Government to send a mission of friendship to him and to the American people as stated

in your personal letter to me on the 5th instant. He at once directed me to say that he would most heartily welcome such an evidence of friendship on the part of your country expressing the hope that your Government would find it possible to carry out its proposal.

I need not tell you, my dear Mr. Jusserand, with what real pleasure I learned of this purpose of your Government. Between our countries there have been for nearly a century and a half peculiar ties, and the renewal of these bonds of good will and esteem at a time when we are mutually enlisted again in the cause of human liberty will quicken the sympathy and warm the heart of every patriotic citizen of the two great Republics.

I have telegraphed Mr. Sharp of the proposed visit of the French mission and also of the fact that the British Government desire to send a commission here for consultation (which will of course be welcome) suggesting that the Foreign Office be informed of the purpose of the British Government in order that the two Governments might consult each other in order to avoid any confusion which might arise from independent action.

I am [etc.] ROBERT LANSING

File No. 763.72/13431d

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *April 8, 1917, 5 p. m.*

4654. Your 5946, April 5.[1] You may inform the British Government that an immediate visit from a commission led by Mr. Balfour for the purpose of conference will be most welcome to this Government, which is anxious to arrange at the earliest possible moment plans of cooperation with the Allied Governments. You may add that this Government is deeply appreciative of the offer of the British Government in suggesting this commission under so eminent a leader.

You should also inform the British Government confidentially that the French Government has in the same informal way proposed to send a distinguished commission to this country to express to the President the appreciation of France of his recent message and to the American people the friendship of the French nation. This commission will also be welcomed by this Government.

Though the two commissions have apparently different purposes it may be found advisable for the British and French Governments to consult together in order that there may be no confusion in arranging the respective visits.

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[1] *Ante*, p. 9.

I am informing Ambassador Sharp of the proposed British commission's visit and advising him to communicate with the French Foreign Office to the same effect.

LANSING

File No. 763.72/13431e

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *April 8, 1917, 5 p. m.*

2135. The French Ambassador has informed me that the French Government intends to send to this country a mission of two or three distinguished men to express to the President the appreciation of their Government of his recent message, and to the American people the friendship of the French nation. I am replying to the Ambassador that the visit of such commissioners will be most welcome to this Government.

Upon receipt of this message you may confidentially inform the Foreign Office that the British Government intend to send at once to this country a commission for conference on plans of cooperation and that I have replied that they will be gladly received. At the same time I informed Mr. Page of the proposed visit of French commissioners suggesting that the British and French Governments consult together in order that there may be no confusion in arranging the visits of their respective commissions.

LANSING

Severance of Relations by Austria-Hungary, April 8—Efforts to Maintain Relations with Turkey—Efforts to Counteract Agitation for Peace in Russia—Plans of Naval, Military, and Economic Assistance to the Allied Powers

File No. 763.72/3747

The Chargé in Austria-Hungary (Grew) to the Secretary of State

[Telegram]

VIENNA, *April 8, 1917, 2 p. m.*
[Received April 9, 6 p. m.]

1823. Minister for Foreign Affairs has just informed me that the diplomatic relations between the United States and Austria-Hungary are broken and has handed me passports for myself and the members of the Embassy. He states that we may leave the Monarchy at your convenience and that every possible courtesy will be extended. Am telegraphing consuls to arrange their affairs and proceed to Vienna with a view to leaving for Switzerland if possible at end of week.

Following is translation of text of note handed me by Minister:

IMPERIAL AND ROYAL MINISTRY OF THE IMPERIAL AND ROYAL HOUSE AND OF FOREIGN AFFAIRS

Vienna, April 8, 1917.

Since the United States of America has declared that a state of war exists between it and the Imperial German Government, Austria-Hungary, as ally of the German Empire, has decided to break off the diplomatic relations with the United States, and the Imperial and Royal Embassy in Washington has been instructed to inform the Department of State to that effect.

While regretting under these circumstances to see a termination of the personal relations which he has had the honor to hold with Chargé d'Affaires of the United States of America, the undersigned does not fail to place at the former's disposal herewith the passport for the departure from Austria-Hungary of himself and the other members of the Embassy.

At the same time the undersigned avails himself [etc.] Czernin.

GREW

File No. 763.72119/539

The Ambassador in Turkey (Elkus) to the Secretary of State

[Telegram—Extract]

CONSTANTINOPLE, *April 4, 1917, 5 p. m.*
[*Received April 8, 7 a. m.*]

2591.

. . . . . .

Enver just back from Berlin is reported to have stated yesterday in a gathering of Union and Progress Party deputies that the military situation of the Central powers was satisfactory and that there would be peace very soon. Because of this and similar statements concerning the approaching peace as well as reports circulated that British authorities at Bagdad accept Turkish paper lira at eighteen shillings, the price of gold and certain foreign stocks has fallen and Turkish Government is purchasing gold. At the beginning of February similar statements that peace would be established by the middle of May emanated from the German Embassy. As their only means of salvation many Turks [hope] that Russian revolution will strongly foster desire for peace and force new Russian Government to make separate peace with Central powers. Minister for Foreign Affairs stated yesterday that Russian soldiers at the fronts had sent word to the Turkish soldiers that there was no use of further military operations as there would be peace within ten days. Such rumors tend to increase these hopes of such separate peace.

Although it is believed that among many Turks there is a strong desire for a separate peace with the Entente powers yet the influence

of Germans and their few Turkish partisans among the military seems too strong for that, while on the other hand these Turks are not sure that the Entente powers will consent to enter into peace negotiations with Turkey.

For the last two days there is general persistent talk among Turks and Germans here that peace will soon be forthcoming. It may be that peace talk is concerted and circulated firstly to quiet people here and in the provinces who openly state that they are tired of war and want peace at any price; secondly, to speculate in gold and securities.

. . . . . .

ELKUS

File No. 763.72119/543

The Ambassador in Turkey (Elkus) to the Secretary of State

[Telegram]

CONSTANTINOPLE, *April 5, 1917, 1 p. m.*
[*Received April 9, 11.15 a. m.*]

2595. My 2591, 4th. After a long conversation with one of the most influential Cabinet ministers yesterday evening, I am convinced that the Turks are placing all their hopes in a peace between the Central powers and Russia, claiming liberal parties and new government in Russia would desire peace in order to devote all their time and energy to the reorganization of their country. It was hinted Turkey was ready to open the Straits and to make other concessions.

In an interview published in this morning's *Tanine*, the Grand Vizier states that the long-standing enmity between Russia and Turkey was due to ambitious aims of the Russian Empire [against] Turkey and that should liberal Russia abandon those aims there is no reason why the Russian and Turkish relations should not be cordial.

In yesterday's conversation I hinted at separate peace between Turkey and all Entente powers. While I did not receive a definite reply, I believe hopes of peace to be negotiated by Germany between the Central powers and Russia are so deeply rooted [that] Turkey is again failing to see her interest in a peace with all the Entente powers. Should the Department see fit, and in the best interests of the United States, to suggest to the Entente powers that Russia state categorically that she will not conclude a separate peace with the Central powers, I believe it likely that Turkey may then abandon Germany and offer to negotiate with the Entente powers.

. . . . . .

ELKUS

File No. 763.72/3754½

The Ambassador in Turkey (Elkus) to the Secretary of State

[Telegram]

CONSTANTINOPLE, *April 5, 1917, 8 p. m.*
[*Received April 10, 12.15 a. m.*]

2599. In an interview with the Grand Vizier to-day I stated that the American Government had no reason for any controversy with Turkey, that it desired to maintain and continue the friendly relations between the two Governments, and that the controversy was in reality only with the German Government. I sounded him again as to Turkey's intentions in case of a declaration of war between the United States and Germany. He replied that for the present the relations are friendly but when questioned as to whether they could continue so, he stated that of course the United States Government knew that Turkey in the present war was an ally of Germany. What Turkey would do in the event of a war between the United States and Germany had not yet been taken into consideration either between Turkey and Germany or among the Turkish ministers themselves and he could therefore give no definite reply. I dwelt at some length on the possibility and the advantages of not severing diplomatic relations with the United States. He asked me whether Congress would decide to declare war against Germany or would simply decide that a state of war existed between the United States and Germany. I replied I did not know. He stated that it made a difference for them and that their work would be easier if Congress without a formal declaration of war decided that a state of war existed. Germany is pretending publicly it does not wish Turkey to break with the United States while it is believed that secretly it is urging the break.

ELKUS

File No. 763.72/3763½

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *April 10, 1917, midnight.*
[*Received April 10, 10.20 p. m.*]

1168. Your circular note, 6th, just received. Had already communicated situation as expressed therein to this Government as authorized by your 1299.[1] Allies have binding agreement to negoti-

[1] See footnote to the circular of Apr. 6, which apparently reached the Ambassador through some error, *ante*, p. 11.

ate no separate peace and also probably agreements as to nature of that peace and perhaps specific agreements or understandings between some of Allies concerning territory and other subjects which endeavoring discreetly to learn definitely. If [I] do, shall advise promptly.

FRANCIS

File No. 763.72119/549

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *April 11, 1917, 4 p. m.*
[Received April 12, 2.10 a. m.]

568. At a conference to-day at Copenhagen between German and Russian Socialists, the German Socialists stated that they would endeavor to move the German Reichstag to consent to peace on the following terms, provided the Russian Socialists would make a similar effort in Russia.

Germany shall evacuate the occupied territories in northern France and Belgium, which latter country shall be reestablished as an independent state but without the right to maintain an army. Alsace-Lorraine shall remain German. Poland to be reestablished on the basis of its original boundaries: excepted however are the Polish provinces which were held by Germany before the war. Poland shall have no right to maintain an army. The Russian Baltic provinces shall be surrendered to Germany. Bulgaria,[1] Servia, and Montenegro to be united in one kingdom called Great Servia under Austrian protection. The Dardanelles to be neutralized and under Turkish supervision. Armenia shall be reestablished also under Turkish supervision.

EGAN

File No. 763.72119/549

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *April 12, 1917, 5 p. m.*

1308. Department has received information from several sources that the Socialists of Germany and Russia are preparing to hold a meeting for the purpose of discussing possible terms of peace. Such reports are disturbing, as a separate peace would make impossible any assistance for Russia, financial or otherwise, from this country. Carefully and discreetly investigate and report immediately.

LANSING

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[1] On Apr. 12, in his telegram No. 573, the Minister added: "Read Bosnia and Herzegovina instead of Bulgaria. In addition Roumania was to be reestablished." (File No. 763.72119/551.)

File No. 763.72/3828

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *April 12, 1917, 8 p. m.*

4676. Please express to the Foreign Office this Government's gratification at the approaching visit of Mr. Balfour and the distinguished party which accompanies him. The American Government and people are deeply sensible of the honor done them and are particularly happy to have an opportunity to welcome to this country the Foreign Secretary whose efforts have so largely contributed to the cordial relations of the great English-speaking countries. It is earnestly hoped that Mr. Balfour and his private secretary, the general and the admiral, each accompanied by a staff officer, and the governor of the Bank of England, will consent to be the guests of the nation for a few days after their arrival in the United States. Since the party arrives at Halifax it would be the intention to meet them upon their arrival at the international border and escort them immediately to Washington.[1] The other members of the party could come to Washington at their own convenience.

LANSING

File No. 763.72/3833

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *April 12, 1917, 8 p. m.*

2147. Please inform the Foreign Office that this Government is deeply gratified to learn of the proposed visit of Viviani, Marshal Joffre, and the distinguished party that will accompany them. We should be glad if it were possible for them to arrive at Hampton Roads, where they will be met by representatives of this Government and escorted to Washington. It is understood that the party can remain in the United States only ten or twelve days. It is earnestly hoped that during this time they will consent to be the guests of the nation. The American people will understand and appreciate the honor done them by the visit of these illustrious Frenchmen who have contributed so largely to the cause which we have now made our own. The welcome of this Government will be merely an earnest of the admiration and affection of the entire American people.[2] Cable reply.

LANSING

[1] The party, which was already on the ocean at this date, arrived in Washington Apr. 22. No papers are printed bearing on the ceremonial aspects of its visit nor on those of the missions from other Allied Governments.

[2] The French mission arrived in Washington Apr. 25. See the preceding footnote.

File No. 763.72/3833

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *April 13, 1917, 7 p. m.*
[*Received April 14, 5.30 a m.*]

2007. Your 2135, April 8. Upon receipt of your instructions I visited the Foreign Office and there expressed the pleasure at which my Government received the news from Ambassador Jusserand that a commission composed of distinguished Frenchmen would visit America in the near future for the purpose of conveying to the President the appreciation of the Government for his message and to the American people for their friendship. I also informed the Foreign Office of the proposed visit of a British commission for the purpose of holding a conference on the plans of a cooperation, at the same time suggesting that a possible confusion might be avoided by a consultation arranging the time for the respective visits of these commissions. Last night I was informed by Premier Ribot that both he and Mr. Painlevé, Minister of War, had just returned from a hurried visit to England. The personnel of the French commission will consist of Marshal Joffre, Mr. Viviani, Minister of Justice, and Marquis de Chambrun, member of the Chamber of Deputies, and they will be accompanied by a staff consisting of a number of military officers and two or three others prominent in civil life. A luncheon will be given to-morrow by Premier Ribot in honor of these gentlemen just before their departure, the time of which, while kept in strict confidence, I understand, is to be within the next few days. SHARP

File No. 763.72119/553

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *April 14, 1917, 4 p. m.*
[*Received 9.20 p. m.*]

301. Following information given me by the British Minister at Stockholm who is in close touch with Russian situation:

In view of the discussions that are current in Russia among labor and socialistic parties, the British and French Governments have each appointed a committee to go to Petrograd for conference with Workingmen's and Soldiers' Committee [*Council of Workmen's and Soldiers' Deputies*], of which Deputy Cheidze is chairman. The Workingmen's and Soldiers' Committee represents the labor party and extreme element of socialistic party. In their deliberations on the political situation they have discussed the question of peace. This

committee has been holding daily meetings in Petrograd. The object of the British and French committees is to point out and endeavor to convince their Russian confreres that peace on any other basis than that constantly had in mind by the Allies would be against the best interests of the Russian people as well as the Allies themselves. The Provisional Russian Government is particularly strong in Moscow. The Workingmen's and Soldiers' Committee is influential in Petrograd but less so throughout remaining Russia. The Provisional Government has been careful not to commit acts which they have felt would be strongly opposed by and objectionable to the Workingmen's and Soldiers' Committee.

The British committee consists of two members of Parliament and a leader of trade-unions in England named Will Thorne. The French committee consists of three deputies representing labor parties. These committees passed through Stockholm April 11. In connection with this matter see my 300, quoting press reports from Russia received through official Swedish press bureau.

MORRIS

File No. 763.72119/554

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *April 14, 1917.*
[*Received April 15, 5.30 a. m.*]

300. Swedish press publishes following telegram received through Swedish telegraph bureau:

At meeting Russian labor and military representatives, Deputy Cheidze said: "Time now arrived people decide for war or peace. We side with those who claim all governments should renounce their ideas of conquest and revise treaties. We must work in this spirit in order end war." Tseretelli, member second Duma, proposed resolution referring to appeal sent nations by Labor Military Council [*Council of Workmen's and Soldiers' Deputies*] March 27,[1] confirming resolve of democracy to carry out principles justice, liberty in foreign policies as proclaimed in Russia and further states revolutionary Russian population will continue all efforts for peace on basis fraternity, equality between free nations. Renunciation by all governments of annexation program powerful medium of bringing about peace and until such terms agreed upon, war must continue. Russian democracy admits weakening of the front equivalent loss liberty and Labor Military Council therefore calls upon nation mobilize entire strength at front and home for success revolution. Working classes must not be satisfied with reforms already obtained

[1] Quoted in despatch of Apr. 3 from the Consul at Petrograd, *Foreign Relations*, 1918, Russia, Vol. I, p. 18.

but must increase labor output in order supply people and army with all necessities. This motion was carried by 325 against 55 together with military representative Romm's motion which read: "Revolutionists in Russia will continue efforts obtain peace on basis fraternity, equality free nations. Renunciation by all governments of program territorial expansion is powerful means end war on such conditions but so long these conditions not realized, so long will war continue." Kerenski, Minister Justice, said: "Power of accomplished revolution lies in fact that Russian democracy now entered arena and thus changed aim war. Democracy means free, friendly relationship of the people. Time has now arrived guard interests. Democracy has renounced all annexionists' resolutions but until we hear from our borders that such is also case there we must continue then to defend liberty fatherland." Congress then debated on its attitude toward Provisional Government and Steklov proposed resolution that Labor and Military Council support Provisional Government in so far as same follows path leading to strengthening conquests made by revolution and expansion such conquests.

MORRIS

File No. 763.72119/557

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *April 14, 1917, 8 p. m.*
[*Received April 15, 3 p. m.*]

1192. Your 1308, 12th. Just had thoroughly satisfactory talk with Miliukov who absolutely certain no possibility of separate peace. Says Socialists here have never so suggested but that most radical faction is advocating revolution in Central Empires, deposing ruling monarchs thereof, and thereafter negotiating universal socialistic peace. Government, however, not perturbed thereby as it daily becomes stronger, soldiers returning to regiments and passing resolutions calling upon workingmen to return to making munitions. Latter becoming more reasonable and much less emphatic in their demands.

FRANCIS

File No. 763.72/3840

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 14, 1917, noon.*
[*Received April 15, 4 p. m.*]

5997. Admiral Sims requests me to send the following which he wishes you kindly to give to Navy Department. The necessity for the utmost secrecy cannot be overstated.

Situation as follows:

Submarine issue very much more serious than realized in America. Rapidity of construction and recent successful operation constitute real crises of war. Enemy submarine morale not broken. No voluntary surrenders recorded and only about fifty-four total known as certainties captured or sunk. Reports our press greatly in error. Recent reports surrenders circulated to depreciate enemy morale and results very satisfactory.

Communications and supplies all forces all fronts including Russian threatened and control of sea actually at stake.

Enemy submarines constantly extending operations further into Atlantic increasing areas and difficulty patrol. Russian situation critical. Mutiny Baltic Fleet eighty-five admirals, captains, and commanders murdered, insubordination, some arming.

Five hundred and thirty-six thousand tons shipping, British, neutral, and Allied lost February; 571,000 tons, March; and 205,000 tons first ten days April. Losses increasing with short nights and better weather.

British forces unable effectively to prevent escape some raiders during long nights but chances are better now.

Allies were notified hospital ships will continue to be sunk. This for purposes drawing destroyers away from operations against submarines to convoy hospital ships thus demanding large convoy forces all areas not before necessary and also danger of partially immobilizing main fleet.

Strength naval forces strained due immense theater and length and number lines communications and material deterioration consequent upon three years' continuous operation distant fields with inadequate base facilities. This applies all sea forces outside of Grand Fleet.

Enemy has 64 small, 6 large submarine mine layers, former carrying 18 mines, latter 34 and also torpedoes and guns. Completion all classes submarines for actual commission approaches 3 per week.

In order insure and accelerate defeat submarine campaign immediate active cooperation imperative. Issue is and must inevitably be decided at focus all lines communication in eastern Atlantic.

Therefore with all possible urgency recommend following immediate naval cooperation:

Send maximum number destroyers accompanied by small antisubmarine craft, former to patrol designated high-sea area westward Ireland, base of operations, Queenstown, advanced base Bantry Bay, latter to be inside patrol for destroyers. Small craft should be light draft and high speed as possible but low speed also useful.

Also repair ships and staff for base. Docks and oil available but advise sending continuous fuel supply. Enemy main fleet must be contained demanding maximum conservation British main fleet. No base so far available for this force south of Scotland.

Our battleships can at present serve no useful purpose this area except two divisions dreadnoughts might be based Brest, for moral effect against anticipated raids in Channel by heavy enemy ships out of reach British main fleet.

The principal other urgent practical cooperation is merchant tonnage and continuous augmentation of anti-submarine craft.

Seagoing tugs would be of great use in towing present large amount sailing tonnage through the dangerous areas.

Cooperation outlined herein should be expedited with utmost despatch to break enemy submarine morale and accelerate accomplishment of paramount American objective.

Enemy is very likely to make submarine mine-laying raids our coast or Caribbean to divert attention and keep our forces from critical area eastern Atlantic by effect upon public opinion. Difficulty of maintaining submarine bases and focusing of shipping this side will restrict such operations to minor importance although they should be effectively opposed principally by keeping channels swept on soundings. Enemy submarine mines have been anchored as deep as 90 fathoms but majority at not over 50. Mines do not rise from bottom to set depth until 24 to 48 hours after laying.

All experience so far shows that submarines never lay mines out of sight of landmarks or lights owing to danger to themselves if location is unknown.

The paramount immediate necessity is anti-submarine work where most effective and maximum augmentation merchant tonnage.

I am informed by Mr. Hoover that there is but three weeks' supply grain this country not counting that in retail stores. Hoover sails in a fortnight for America. Sims.

PAGE

File No. 763.72119/563a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *April 16, 1917.*

1321. Please deliver following telegram:

Miliukov, Petrograd (or Baron Gunzburg): American Jewry is alarmed by reports that certain elements are urging separate peace between Russia and Central powers. A separate peace may, in our opinion, lead to the ultimate restoration of an autocratic government and the degradation of the Russian Jews below even their former deplorable condition. We are confident Russian Jewry are ready for the greatest sacrifices in support of the present democratic government as the only hope for the future of Russia and all its people. American Jewry holds itself ready to cooperate with their Russian brethren in this great movement. Marshall, Morgenthau, Schiff, Strauss, Rosenwald.

(If sent to Baron Gunzburg, add: May we ask you to submit this to your Government.)

LANSING

File No. 763.72/3871

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 16, 1917, 5 p. m.*
[*Received 10.15 p. m.*]

6007. Sir William Robertson, Chief of Staff, came to see me and expressed the earnest hope that we will send, the very earliest day possible, a unit of regular United States troops, if no more than a brigade, to show themselves for a day or two in London and in Paris and then to go to the British front as a visible evidence of our hearty cooperation. He lays great stress on the moral and inspiriting effect, both military and political, of which there can be no doubt. The Prime Minister has expressed the same opinion to me with his utmost emphasis, in fact this hope is universally held here. A small unit would not require special shipments of food and ammunition, the British would supply these.

The French Minister of War, who has been on a visit, expressed the same opinion to me.

The suggestion also has been made, first by Thornton, afterwards by many other persons of good judgment, that a regiment recruited wholly of Irishmen living in the United States and sent to Ireland for training would have an enormous influence on Irish feeling, would help recruiting there and would have a strong political influence towards a settlement of the Irish question. I asked the Prime Minister's opinion and he expressed the heartiest approval. He said, "Bring that about if it be in any way possible and bring it about quickly. We will do everything necessary to further it and the effect will be most helpful." A Canadian Irish regiment did the same thing with most beneficial results. The British will send to the United States the Canadian Irish officer who commanded this regiment if he can be of use to us.

The foregoing is the political wish of the men quoted. As to the military wisdom of sending one unit to France of course I do not presume to have an opinion.

PAGE

File No. 763.72119/561

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *April 17, 1917, noon.*
[*Received 6.35 p. m.*]

591. Germany offering higher and higher bids for peace to Russia. Cadet Party which has seized the revolutionary movement

unable to hold out against workingmen's association. If the United States could give Russia some tangible evidence that it is really in the war such as a technical corps sent to Russia from the United States or the announcement of some special assistance the separate peace proposals might be nullified. Foreign Minister here believes that peace in July is possible; he is influenced by socialistic opinion. Baron Buxhöveden, Russian Minister here, has been dismissed.

EGAN

File No. 763.72/4498

The Chief of the Military Mission with the French Army (Logan) to The Adjutant General

[Telegram—Extract]

[*Copy received from the War Department, April 18, 1917.*]

French War Department requests transmission following:

Emphatic that economic war of blockade and trade restriction has importance equal to military and naval war. Enemy's supplies of all kinds must be cut off.

They strongly recommend creation special bureau of the War Department, Washington, in direct communication with American representatives in joint Allied bureaus, French General Staff, Paris, which is prepared to cooperate and assist.

Military mission Paris must include two competent disinterested business men with temporary rank. Bureau, Washington, must be immediately established.

Other executive departments should be in touch with this service but war experiences have demonstrated necessity of War Department control.

Study possible military cooperation United States in France by cable April 14 by French Minister of War to French military attaché, Washington, for the consideration of our Government. It is based on joint study with military mission. See mission letter.

To promote efficiency request that all officers not attached to mission now in France, and all officers hereafter who will be sent to France without troops, be ordered to report for duty [with] military mission. Request early action.

LOGAN

File No. 868.00/102

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *April 17, 1917, 4 p. m.*
[*Received April 18, 6.30 a. m.*]

300. Your 258, April 15, 5 p. m.[1] No doubt the more liberal elements with Provisional Government at Salonica, the more autocratic elements with the Government of Athens. England and France have diplomatic representatives at Salonica; Russia has promised one. Italy in the past has been hostile owing, it would appear, to imperialist motives. Consul Kehl reports adversely on the ground that generally the civil government is weak compared with French military government. Provisional Government includes Macedonia and all the Aegean Islands, including Athenaens [*Aegina?*]. Ionian Islands independent of Athens Government. I am inclined to think that if Italian opposition would cease, then with united Entente, the Government of the United States might send sympathetic but clear-headed diplomatic representative to Salonica.

DROPPERS

File No. 763.72119/564

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 18, 1917, 8 p. m.*
[*Received April 18, 8 p. m.*]

6031. Confidential for the President:

The Prime Minister confidentially informed me last night that he goes to Italy to-day in company from Paris with the Prime Minister of France for a conference about a possible peace with Austria or some aspects of this subject. He is not yet definitely informed what proposal or plan will be discussed but he promised immediately on his return within a week to tell me what transpired.

PAGE

File No. 763.72/3936

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 18, 1917, 6 p. m.*
[*Received 9.30 p. m.*]

6028. Following is strictly confidential from Admiral Sims:

Your April 16, 4 p. m.[2] It has been found wholly impracticable to completely blockade German and Belgian coasts against egress

[1] Not printed; see the Secretary's No. 247, Apr. 4, 5 p. m., in Supplement 1, p. 77.

[2] Not found in files.

and ingress submarines. All practicable means have been attempted. Numerous mine fields and nets have been and continue to be laid and submarines, destroyers, and other craft used in attempting to prevent exit and to stop mines and nets being dragged out. The danger to vessels operating so near enemy bases is naturally considerable and has resulted in several being torpedoed and mined. It has been found impracticable even to maintain an effective patrol against submarines and raiders between Scotland and Norway. Too many vessels were torpedoed. Patrol is now maintained on lines between Scotland and Iceland and also between Scotland and Greenland ice floes. In order to maintain these lines and to prevent torpedoing it is necessary to shift them after each enemy contact as there are no vessels available to screen the cruisers against submarine attack. The destroyer has shown itself to be by far the most efficient enemy of submarines operating against commerce. The enemy uses every means to force their employment on other duty even to sinking hospital ships. All destroyers are now so employed except the minimum required by Grand Fleet and for convoying troops and their supplies. Destroyers being built as rapidly as possible but numbers wholly inadequate to meet present submarine issue, particularly against merchant shipping. Situation is so serious that I urgently repeat recommendations that we send immediately every destroyer capable of reaching Ireland and also all light-draft vessels of whatever speed capable of performing any patrol duty. Impracticable our battleships take any part in war or need destroyer protection unless operating in this the critical war theater. British are willing to try any anti-submarine methods not already proved inefficient. Present developments reached are result of exhaustive trials of many methods often carried out at great expense.

To best my knowledge and experience we should adopt present British methods and base further developments only upon actual experience in cooperation with them.

PAGE

File No. 763.72119/566

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *April 18, 1917, 5 p. m.*
[*Received April 19, 12.30 p. m.*]

593. Newspaper reports from Berlin dated April 17 state that on April 16 large demonstrations took place in Berlin which were attended by 125,000 persons. *Vorwärts* comments:

One of the circumstances leading up to these demonstrations was evidently the cutting down of the bread rations. This however was

not the only reason. The great events which have taken place during the past two weeks have no doubt made a great impression on the people of greater Berlin. The vast majority of the population is of the opinion that the realization of the announced progress in our internal policies should no longer be postponed. The Easter announcement had a favorable effect but it has not been able to do away with the doubt and anxiety prevailing concerning the future. Furthermore the people's strong desire for peace played the most important part in connection with the demonstration. It is evident that if the Government had made any resistance the demonstrations would have assumed a more serious nature than was the case.

According to the late demonstrations of the German and Austrian Governments there exists the hope that the policy of the Central powers will lead to peace in the near future.

EGAN

File No. 763.72119/566a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *April 19, 1917, 5 p. m.*

1337. Communicate following H. F. Meserve:

Congress has voted seven billions war loan, three billions to be advanced to Russia and Allied Governments. There has been great enthusiasm here over Russian governmental reforms but recent reports widely circulated in public press indicating new government in control of Radical Socialists who are seeking to bring about separate peace with Germany seriously affecting Russian interests here, and if continued may prevent Russia's participation in loan to the Allies. At your discretion communicate this widely to Russian leaders and urge that every endeavor be made to correct this unfortunate and growing impression upon American people. If new Government can maintain order and successfully prosecute the war it is impossible to overestimate the enthusiastic friendship that will be engendered in this country opening up tremendous possibilities for Russian development after the war. A separate peace will be fatal to American cooperation. McRoberts.[1]

LANSING

File No. 763.72119/587a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *April 19, 1917, 7 p. m.*

1339. Please make full telegraphic report on general conditions in Russia that if facts warrant Department may give to the press for

[1] Samuel McRoberts, executive manager of the National City Bank.

purpose of allaying apprehension, particularly concerning press speculation of possible separate peace.

LANSING

File No. 868.002/26

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *April 19, 1917, 1 p. m.*
[*Received April 20, 3 a. m.*]

304. Lambros cabinet resigned night of 17th. Yesterday the King sent for British Minister and during an hour's conversation stated that he would form a cabinet agreeable to Entente ministers but wished assurances on two points: first, against French invasion, secondly, against his dethronement; otherwise he would resist. Later messenger came to British Minister stating that Zaimis consented to form a new ministry on condition that blockade was removed.

DROPPERS

File No. 763.72/3965

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *April 20, 1917, 1 p. m.*
[*Received 2.40 p. m.*]

926. Prime Minister and Minister for Foreign Affairs left Rome unexpectedly night before last, incognito. Just learned they have gone France, believed for conference touching Russia, where situation considered extremely grave, and for greater Italian interests in eastern Mediterranean.

NELSON PAGE

File No. 763.72/4499

The British Ambassador (Spring Rice) to the Secretary of State

WASHINGTON, *April 20, 1917.*
[*Received April 21.*]

MY DEAR MR. SECRETARY: The Foreign Office have telegraphed to me asking if you could lend us your assistance in the following matter.

You are no doubt aware of the recent increased activity of German submarines against Allied hospital ships. These inhuman and illegal practices have made it necessary to contemplate keeping the wounded for treatment in the various theatres of military operations, instead of bringing them away to England and other countries where they could, to a large extent, be treated in civilian hospitals. This course would necessitate obtaining a large increase in staffs of doctors and nurses, of whom there is a danger of shortage even now.

With a view to meeting this difficulty it has been suggested that the United States Government might be willing to adopt, as one of the measures of cooperation in the Allied cause, a scheme for organising military hospitals, for service in England and abroad, based on United States Army establishments and paid and administered by the United States Government, each hospital being complete with personnel and all material other than buildings. The idea is that any hospitals so formed should be put unreservedly at the disposal of the British Government, on the condition that in the event of United States troops coming to Europe these hospitals should be handed over to their use. I venture to hope that this scheme may commend itself to you and the United States military authorities. Among many other advantages, it is evident that the experience gained by such American hospital units would be of great use to them when they rejoin their own troops.

My Government have decided, on reflection, that the most satisfactory solution of the difficulty would be for the new hospitals to be organised by the military medical authorities in the United States Department of War, rather than by a voluntary organisation. In order to give you an idea of the extent of our immediate needs, I venture to enclose herewith, a summary of the constitution, establishment, and rates of pay of a British general hospital.[1] Six such hospitals are urgently desired.

I am writing to you on this subject in advance of the arrival of the British mission now on its way to this country, in view of the extreme urgency of the matter.[2]

Believe me [etc.] CECIL SPRING RICE

File No. 763.72/4530

The Russian Chargé (Onou) to the Secretary of State

No. 300 WASHINGTON, *April 21, 1917.*

MR. SECRETARY OF STATE: I have the honour, by instruction of the Minister of Foreign Affairs, to transmit to Your Excellency herewith the text of a communication addressed to the Government of the United States on behalf of the Russian Government. This communication, signed by Messrs. Goutchkow, Markow and Lwoff, Minister President, has reference to the pressing needs of the naval defence of the Arctic coast of Russia.

Accept [etc.] C. ONOU

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[1] Not printed.

[2] This letter was referred to the Secretary of War, Apr. 21. For an account of the arrival in England of the first base-hospital unit, see despatch No. 898, May 19, received June 4, from the Consul at Liverpool, *post*, p. 84.

[Enclosure]

The Russian Government to the Government of the United States

NAVAL DEFENCE OF THE ARCTIC COAST OF RUSSIA

Owing to the fact that the Russian Fleet is locked in closed seas the defence of the Arctic coast of Russia represents a most difficult task now aggravated by the presence of enemy submarines in these waters and the Russian Government is in great need of patrol and despatch vessels in order to cope with this menace. Unfortunately the many restrictions made by the neutrals and the financial side of the question made the acquisition of ships and arming them abroad a very difficult problem—in fact a problem which we did not manage to solve. Now that the United States have in every way joined the efforts of the Allies, the Russian Government is most hopeful that they will come to assist us in this matter which is one of the most pressing and vital nature for the Allied cause.

Our immediate needs are:

1. There are 3 ships already negotiated for and actually in American waters which it is most important to have armed and fitted out for service in Arctic waters as soon as possible. Besides we require 7 armed patrol vessels—or seagoing yachts—7 armed transports of 1,000–2,000 tons capacity, and 20 armed trawlers, these latter to arrive in our Arctic waters as soon as possible. Patrol vessels are in fact required at once and the remainder not later than the opening of the navigation in the White Sea . . .[1] and May, N.S.

2. For the moment we have not got a single destroyer in the north. Two ships of that class which rendered most important services last winter are actually undergoing a refitting and will not be ready for some time and 4 more destroyers under way to the Arctic Ocean are actually crossing the Indian Ocean. Until these arrive we are totally lacking in efficient weapons against submarines and if the United States could see their way to send us at once say 4 destroyers joined by an equal number of armed patrol vessels such assistance would be priceless. The Arctic route is the only one opened for supply ships to European Russia and the security of this route is of an enormous importance to the Allies' cause.

The Russian Government therefore hopes that you will rightly appreciate the situation and that the United States will not fail to join their forces to those of the Allies and bring us an efficient help in meeting the above requirements.

GOUTCHKOW MARKOW LWOFF, *Minister President*

[1] Omission indicated in the original.

File No. 763.72/3999

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *April 21, 1917, 4 p. m.*
[*Received 5.30 p. m.*]

927. Learn from Minister of Foreign Affairs on his return from France conference that conference was called by Lloyd George or Ribot and was pursuant to understanding at Rome December conference to meet whenever it seemed necessary to promote stricter united action. He added that probably they will have one now with the United States. They discussed rather than settled many things. He mentioned particularly Russian situation as requiring reorientation military and otherwise if Russia withdraws from war which I judge is deemed imminent. Regarding blockade of Greek coast he said that it was discussed but nothing settled. I got impression he thinks so strict blockade not necessary but Sarrail seems still apprehensive should Bulgaria make a successful push.

NELSON PAGE

File No. 763.72/3997

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *April 21, 1917, 5 p. m.*
[*Received 6 p. m.*]

928. Italy will send commission to United States probably headed by Duke of Abruzzi. Some apprehension seems felt about threats of Socialists and clericals to utilize May 1 for demonstrations against war. This partly explains absence of public demonstration participated in by Government on our entry in war.

NELSON PAGE

File No. 763.72/13451

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 21, 1917, noon.*
[*Received 7.15 p. m.*]

6056. Admiral Sims says:

Situation here is critical, serious, and daily growing worse. During last 24 hours, 13 ships, 44,000 tons lost, not counting 4 mine sweepers, mostly southwest of Ireland. April 1 to 18, inclusive, 408,000 tons sunk. Of utmost urgency that we give maximum assistance immediately, every other consideration should be subordinated. I urge the immediate sailing of all available destroyers

followed at earliest possible moment by reenforcement of destroyers and all light-draft craft available. Fuel is available on this side. Vitally important that this information be treated with utmost secrecy and urgency.

PAGE

Severance of Relations by Turkey, April 20—Denials of Russia's Intention to Make a Separate Peace—The French Plan of Military Cooperation—The Situation with Respect to Submarine Warfare: Naval Cooperation—The Italian Special Mission—The Situation in Greece

File No. 763.72/3991

The Secretary of the Embassy in Turkey (Tarler) to the Secretary of State

[Telegram]

CONSTANTINOPLE, *April 20, 1917.*
[*Received April 22, 10.30 p. m.*]

2639. The Imperial Government has to-day informed the Embassy that as the Government of the United States has declared itself to be in a state of war with Germany, the Ottoman Government's ally, it finds it necessary to rupture its diplomatic relations with the United States to-day. American interests have been confided to the Swedish Minister.

TARLER

File N. 763.72119/574

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *April 21, 1917, 7 p. m.*
[*Received April 23, 4 a. m.*]

1213. Your 1339, 7 p. m., 19th, just received.[1] See my 1211[2] and several other cables on this subject. Conditions to-day show continued improvement. Have consulted Minister since receipt of 1339 and they not only declare no separate peace contemplated or possible, but begin to feel such insinuations are reflection on Russian honor. Delegation of English and French Socialists in Petrograd called on me to-day and report that determination to prosecute war to a successful issue growing stronger daily. They came to Russia for purpose of convincing their comrades that separate peace would endanger the vital principles of the doctrine they advocate. Committee or Commission of Workingmen and Soldiers' Deputies have resolved by overwhelming majority, to push war to successful termination. Government realizes that we will extend no aid unless confident that no separate peace is possible. I have so stated time

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[1] *Ante*, p. 30.
[2] *Foreign Relations*, 1918, Russia, Vol. I, p. 27.

and again. My personal belief is strong to same effect and have endeavored to convince all that separate peace will not only jeopardize but certainly destroy all that has been gained by the revolution.

FRANCIS

File No. 763.72119/573

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *April 21, 1917.*
[*Received April 23, 6 a. m.*]

1215. Answering your 1339, 19th,[1] for publication if approve. Am pained and provoked to hear there is fear and suspicion in America of Russia's making separate peace. There is no more probability thereof than of our doing so. The charge that the Imperial Administration was planning separate peace with Germany caused its overthrow and hastened the consummation of an amazing revolution which was brief and bloodless and the most stupendous achievement for human rights in records of governments. That revolution will expedite the defeat of Germany and the establishment of a general peace permanent and universal because founded on justice and freedom. That revolution and our entering the war, so nearly contemporaneous as they were, mark a new era in the history of society. Our prompt recognition of the new Government, being the first, came at a most critical juncture and gave encouragement and help to the Council of Ministers and their supporters. President Wilson's thrilling allusion to the revolution in his address to the extraordinary Congress was inspired and made a deep and lasting impression on the Russian people. The Embassy has translated it and his other utterances on the subject into Russian and is giving them the broadest circulation in a pamphlet for free distribution. Want of confidence in Russia's sincerity in this conflict is unreasonable, illogical, and unjust. No people so circumstanced have ever made greater sacrifices for freedom than these and they fully realize that a separate peace would jeopardize or lose all they have gained. Our form of government is their model; our taking part in the contest has infused into them a confident spirit and imbued them with a firm determination. They ask for no soldiers but have an army unequaled in numbers, unexcelled in courage, and led by commanders of ability and patriotism. They have resources inestimable and unapproachable. All they require is munitions and railroad equipment and credit. All those we can furnish and I earnestly hope we shall do so. If our people are

[1] *Ante*, p. 30.

incensed as they are and should be at the intrigue and underhanded machinations of Germany in their midst and on their borders Russians have fourfold cause for like resentment and will make any sacrifice rather than conclude a separate peace. And this is my decided opinion based on facts cabled you to which respectfully refer.

FRANCIS

File No. 763.72/4043

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *April 24, 1917, 3 p. m.*
[*Received 7.15 p. m.*]

317. Following information given me by prominent American who for past year has been chief of an American press bureau in Berlin:

Informant desired to leave Germany and asked if in view of the fact that a state of war existed between the United States and Germany he would have difficulty in procuring permit to depart. He was informed that there would be no difficulty whatever as Germany was unaware of the existence of the state of war. Informant adds that Germany is constantly maintaining this attitude.

Strike of 250,000 laborers in Berlin on April 16 was not indication of revolutionary spirit but more showing growth of desire for peace and of democratic spirit in Germany as evidenced by Emperor's Easter proclamation.

Morale of people good and has not been affected by America's entry into the war. While bread ration reduced from 1,900 to 1,600 grams per week, meat ration increased 100 per cent for same time.

MORRIS

File No. 763.72/4050

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 24, 1917, 12 noon.*
[*Received 11.45 p. m.*]

6078. Admiral Sims wishes the following transmitted in strictest confidence to the President and the Secretary of the Navy:

The Admiralty is able to keep fairly accurate information concerning submarines leaving and entering their bases and their approximate location while operating.

For some days two of the thirty-four mine U-boats not located and Admiralty were about to inform us probability their being on way to [America] when they were located. Admiralty now believe none likely to be sent at present; that present successful submarine effort will continue off entrance to Channel. They are employing all destroyers that can be spared from Fleet. Experience shows 50 per cent destroyers can be maintained on patrol. The area they can cover practically untenable by submarines, but this area too restricted to be effective. Admiralty and War Council concluded yesterday that cooperation twenty odd American destroyers (base of operations?) Queenstown, would [practically?] suppress present dangerous activity of submarines and keep it suppressed. If enemy can be forced disperse his forces from this critical area the crisis will be passed.

In my opinion opportunity offers for brilliant distinction for our Navy. The six destroyers now on the way will be supplied depth charges and all necessary supplies, and experienced destroyer patrol officer will be assigned staff our senior officer. Urgently recommend maximum possible number destroyers be sent immediately.

PAGE

File No. 763.72119/577

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *April 24, 1917.*
[*Received April 25, 2 a. m.*]

1217. Russian-American meeting held last night in City Duma which filled to overflowing. Ministers Foreign Affairs, Ways of Communication, Trade and Industry, and Finance attended. First three delivered ringing speeches. Minister Finance too hoarse speak. I made first speech and mentioned fear in America of Russia concluding separate peace. Thereupon there was emphatic protest against such suspicion to which I gave hearty concurrence and told of my repeated efforts to dissipate such impression in America. Have given to press my No. 1215 to you. Minister Justice just called at Embassy to apologize for not attending last night's meeting saying he was in Reval visiting Russian Fleet which reports in good condition. He is representative of Social Democracy in Ministry and considered strongest member of Government. He voluntarily assures me that no Social Democrat in good standing favors separate peace. Minister Ways of Communication aroused greatest enthusiasm by stating that America was first to recognize new Government and did so most opportunely.

FRANCIS

File No. 763.72119/580

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *April 25, 1917.*
[*Received April 26, 11.55 a. m.*]

1225. Your 1321, 16th.[1] Minister for Foreign Affairs to-day requested following response be transmitted to signatories of message therein:

The Russian Provisional Government is very appreciative of the sympathy which the authorized representatives of American Jewish citizens are so good as to accord to its efforts to assure the triumph of the great principles of democracy, of liberty, and of equality of all Russian citizens without distinction of nationality or religion.

As regards the uncertainty shown by the American Jewry on account of the rumors of agitation of certain elements for a separate peace I can assure them that these rumors are wholly without foundation: no Russian party, whatever its political programme, has contemplated nor could contemplate the eventuality of a separate peace with the foreign aggressor.

The great danger which menaces new Russia and the entire world if heed should be paid to the efforts which have for their end the maintenance of the fearful German militarism are only too well known here.

FRANCIS

File No. 763.72119/584

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *April 26, 1917, 6 p. m.*
[*Received April 27, 4.10 a. m.*]

880. For the Department's information. Following statement made by German Radical Socialist regarding basis for peace negotiations:

Preliminary steps: (1) recognition of fundamental reform of Government in Germany as means of ending war and militarism; (2) declaration to effect that in the event of disorders in German Army and in the interior no action would be taken against troops in revolt and that boundaries of Germany as existing before war would not be crossed by hostile armies.

Peace proposition: (1) constitution of league of states in place hegemony in Europe and consequent withdrawal of demand for strategic frontiers; (2) settlement of Alsatian, Hohenzollern [*sic*], and Polish questions by popular vote under neutral surveillance;

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[1] *Ante*, p. 25.

(3) no war indemnities; (4) former colonies to be returned to Germany, provided new distribution of colonies according to policy of open door cannot be arranged; (5) economic and political discriminatory legislation operating against aliens passed since the war to be repealed; (6) all countries to contribute to sacrifice necessary for reconstruction of Europe; (7) each country to renounce conquests and to regulate its own nationality questions, etc., according to established principles.

In general, the possibility of a lasting peace should be emphasized with particular regard to principles laid down by the President of the United States and with due consideration for psychology of German people. United States in best position to take initiative in this matter. LANGHORNE

War Department Files: WCD 9971–C–4

Paraphrase of the Report of a Confidential Conference between Marshal Joffre and General Scott, Chief of Staff, at the Army War College, April 27, 1917

Marshal Joffre (Lieutenant Colonel Cosby assisted by Lieutenant Tassan interpreting) said, in substance, as follows:

Now that America was at war the problem of cooperation between the French and American Army was the manner of making our enormous resources available. He would not at this time take up the economic or financial questions, nor that of naval cooperation but confine himself to military cooperation which was most important.

This military cooperation must take several forms. The American Army cannot now take part in the battle front, but if we wait until the American Army is at full power, time will be lost. It is better to act now with such elements as are ready.

The best thing to be done is to form a unit of one division only so as not to weaken the American Army unduly. Such a division with staff and auxiliary service could be sent to the front in a very short time. It would be first sent behind the line for four to six weeks' training, after which it would be a good fighting unit. It would be sent first to a relatively quiet sector of the front and then advanced to more active portions.

Such a division would probably lack many essential things, grenades, machine guns, trench mortars, infantry cannon, etc. The French could make up everything which such a division would lack.

This is the first phase of cooperation.

Real cooperation would follow later by the sending of a large force which should be organized and trained at once in a manner to

be left largely to our own Government. It will need new officers and staffs. Officers and noncommissioned officers should be trained for it immediately.

As soon as this large army is formed it is only a question of how fast it can be sent to reinforce the division first dispatched, this depending upon the means of transportation available. The units of this large force would be sent behind the line at first and gradually the entire army would become fit for fighting.

The next thing for discussion with France is the lines of communication with all that this implies. The lines of communication will require various services calling for a large number of men. Of the various services required many need only be sent as our large army arrives; others, such as railroad troops, automobiles, etc., can be sent as fast as formed to serve the French until our own troops arrive.

The three things to be done to secure military cooperation are these:

(*a*) The prompt dispatch of one division;
(*b*) Commencing simultaneously the organization and training of a large army;
(*c*) Formation and dispatching promptly special services (railroad troops, automobiles, etc.).

What the Marshal has discussed is the theoretical plan. The question now is how to put it in practical execution. The Marshal suggested that the various officers brought with him work out the plans with our officers. The thing to be done now is to take up these studies in detail so as to get down to practical cooperation. The sooner we begin the sooner will we succeed in attaining what both sides desire. The very first thing is to send a division at once. No matter how small the transport facilities, the sooner we get troops fighting alongside France the quicker we will get results.

The Marshal then stated he would present details of his ideas in a paper. (Handed to General Kuhn, April 28, translation attached.[1] Note: This is essentially one of the plans tentatively worked out by the French General Staff and forwarded to the War College by Major Logan and submitted to the Chief of Staff in W.C.D. 6609–262, April 27, 1917.)

The Marshal then discussed some phases of organization stating that French experience had shown divisions of nine or twelve battalions (three or four regiments) to be best. The actual application of the French experience to our Army must be left to our General

[1] The memorandum attached is the same as that transmitted to the Assistant Secretary of State, *post*, p. 44.

Staff, keeping in mind the psychology of our people. Studies had been made in Paris by the French General Staff in cooperation with our military mission and our organization must be along some of these lines.

What the Marshal had proposed he believed to be the best way for the American Army to cooperate, to secure final victory and to shorten the war. He recognizes our difficulties in forming a large army due to want of officers and *cadres*. In order to assist he thinks it would be useful to get help of French officers in our training camps and schools. For this it is necessary to have instructed officers thoroughly versed in front methods.

The Marshal then discussed the present infantry methods in comparison to those of three years ago to illustrate the change that the war has wrought. At the beginning of the war the infantry had but one weapon, the rifle. Now it has, in addition, hand grenades, rifle grenades, 37-mm. cannon, machine guns and automatic rifles. There are numerous barrage fires, the rifle grenade barrage being better than an artillery barrage. On the offensive the infantry employed *voltigeurs*, armed with dagger and rifle, to clear enemy's trenches. He mentions these things to show what modern war is. The French had to learn these things by bitter experience. The employment of *voltigeurs* was necessary to secure the rear of troops who had advanced beyond the lines of captured trenches. He referred to the experience of the English on the Somme on July 1, who were fired on in their rear and had to retreat.

While he had spoken only of infantry changes there were equally important changes in the other arms. Liaison with the artillery is very important and difficult. It was necessary for the artillery to be connected with the aeroplanes and with the advancing troops. The means of liaison were light balls, optical, wireless and telephones. All these things were explained in detail in the printed French Regulations which he had brought. All these things are so complicated that he thinks we should have French officers to explain them, both as instructors and advisers.

General Scott then asked about a port of debarkation to which the Marshal replied that this had been already considered by the French Director of Rear Service and that the port of Pallice (near La Rochelle) had been proposed. This port has landing quays, a water supply, but additional storage buildings would probably be needed. The facilities were ample for one divison but doubtful about sufficiency for our army of 400,000 to 500,000 men.

General Scott then asked, the division being landed, what would happen next? The Marshal replied that their experience with the Russians would guide them. The first regiment landed would be

sent at once to one of several camps about 30 kilometers behind the front so as to place it in the military atmosphere where instructions would begin at once with schools for bombers, machine guns, etc. The first element to be landed would be the commanding general and his staff, who would see that all necessary arrangements, and installations were provided. The American general could then attach himself to a French Army corps to see how things were done. As soon as the first American regiment is ready it can be put into the front under command of the American general, the French commander selecting the point where the American regiment would go.

General Scott then inquired about the need for railroad rolling stock. The Marshal stated that France needed railway equipment, theirs being worn, but could not state whether our rolling stock would operate on French tracks.

General Scott then inquired as to the relations that would obtain between the French and American commanders. The Marshal replied that this was a matter to be determined but thought the latter should first be under a French Army commander. The Marshal's own ideas were that the first American division would be under a French Army commander until we have an army of our own. Army commander would receive only very general directions from the French supreme command.

Asked whether the American Army should be kept together, the Marshal stated emphatically it should, that it was bad to divide an army.

General Bliss then inquired as to how the first division should be maintained at strength. The Marshal replied that, in a general way, this required front depot battalions, behind this in France regimental depots and in the United States still others. Asked as to the number of front depot battalions, the Marshal answered this was a question for study. Suggested French system of regimental depots with some convalescent officers supplying reinforcements of both men and officers as needed. Recruits on landing would remain at the base for a few days and then proceed to front depot battalions.

General Scott inquired as to distance from proposed base and the use of the railroads. The distance was given by Colonel Fabry as 450 kilometers. All French railroads under one director who controlled train movements.

Several questions were asked relative to machine shops for repairing ordnance material and the heavy artillery required. As to the latter the Marshal promised to furnish tables.

Asked as to the matter of introducing our rifle in the French front, the Marshal asked if the rifle was a good one. Being told it was of the best, he replied, "Keep it."

The interview lasted approximately two hours.

File No. 763.72/5224

M. Hovelaque, for the French Special Mission, to the Assistant Secretary of State (Phillips)

WASHINGTON, *April 27, 1917.*

DEAR MR. PHILLIPS: I enclose brief notes from Marshal Joffre and Admiral Chocheprat and their staff. I extremely regret that in spite of most strenuous efforts I could not get them together sooner but the officers were scattered and it was hard to get them to coordinate their statements. Mr. Simon will send you his note separately.

Believe me [etc.] HOVELAQUE

[Enclosure—Translation]

Memorandum from the French Special Mission

PROGRAMME

Convinced, on the one hand, that the military effort of the United States will be considerable, corresponding to her strength, and, on the other hand, that that effort is capable of hastening the victorious termination of the war, France expresses the following desires:

IMMEDIATELY

A. The dispatch of an expeditionary corps

With a view to showing the American flag on the French front as soon as possible, the dispatch of an expeditionary corps constituted on the basis of the studies made in common by Major Logan and the French General Staff. On this basis, the expeditionary corps would take the form of a division of nine regiments with the artillery and services corresponding to those of a French army corps, France undertaking to furnish, moreover, in case of need, all or part of the armament.

This expeditionary corps so organized would be assembled in one or more camps of the French zone of the armies, where the American troops would find, from both the material and moral point of view, the most favorable conditions for completing their instruction with all the resources of the French front.

SIMULTANEOUSLY

B. The organization of an American army

1. Choice of a type of large unit: It would be advantageous for the United States to adopt in the organization of her army a type of large unit (division) closely resembling the type accepted by all the belligerents at the present time (division of three or four regiments).

2. Organization and instruction of the army: It would be advantageous to admit the principle that these large units are to be organized and given preliminary instruction in America with the assistance of a French mission and that their instruction is to be completed in France, in immediate contact with the French front, under the supreme direction of the American command.

3. Measures of execution: It appears that a set of preparatory measures designed to facilitate the assembling of American units on French soil and their instruction should be taken at once, particularly:

(*a*) The organization of a base (La Pallice, for example).

(*b*) Cadres: The immediate dispatch of the officer personnel intended to be made familiar with present fighting methods and ultimately to take over the command and instruction of the American army. A general officer of the American army (the commander of the expeditionary corps, for example) would have charge of this instruction, the programme of which would be arranged by him in accord with the French command.

(*c*) The dispatch to France of all the military formations and all the *matériel* utilized by the general services of the armies (front and rear) designed for cooperation with the corresponding French units for the common services of the French and American armies:

(1) Units already constituted in the United States: engineer battalions; signal corps battalions; railway construction battalions; aviation squadrons with or without planes; artillery groups with or without guns but with horses or tractors and equipment; artillery batteries for the service of heavy guns; automobile sanitary sections; automobile transport sections.

(2) Military formations to be constituted for cooperation in the following services: sanitary service (hospital orderlies and stretcher-bearers); field telegraph service; motor service (chauffeurs and mechanics); railway service (construction), standard gauge, narrow gauge; road service (construction); artillery park service; remount service; water supply and forest service; subsistence service.

4. Transport: Independently of this military cooperation, the United States should continue and intensify if necessary the industrial cooperation of all kinds which she is now extending us; from this point of view, as well as from the purely military point of view, the question of transportation remains the one of prime importance which must be solved as quickly as possible. It is particularly advisable to accelerate the delivery of railway *matériel* (rails and cars).

File No. 763.72/4106

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 27, 1917, 4 p. m.*
[Received 7.25 p. m.]

6103. Admiral Sims requests transmission of following to Secretary of the Navy:

Following information must be guarded with the utmost secrecy. In spite of efforts of all destroyers and patrol vessels available the situation is increasingly critical: 88 ships, 237,000 tons, British, Allied, and neutral, lost during the week ending April 22, not counting fishing vessels; also greatly increased number ships unsuccessfully attacked indicates marked increase in number of submarines operating. Sims.

PAGE

File No. 763.72/13320

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 28, 1917, 1 a. m.*
[Received 3 a. m.]

6109. There is reason for the greatest alarm concerning the issue of the war caused by the increasing success of the German submarines. If the present rate of destruction can be kept up, we shall have soon to contemplate the defeat of Great Britain. At the present rate practically a million tons are being lost every month till the shorter days of autumn come. By that time the sea will be almost cleared of shipping. Most of the ships are sunk west and south of Ireland. The British have in that area every available anti-submarine craft but their whole force is so insufficient that they hardly discourage submarines. It is in this area that the war is in danger of being lost. The British transport of troops and supplies is already strained to the utmost and the maintenance of the armies in the field is threatened. There is food enough here to last the civil population not more than six weeks or two months. Whatever help the United States may render at any time in the future or in any theater of the war, our help is now more seriously needed in this submarine area for the sake of all the Allies than it can ever be needed again or anywhere else.

After discussing this critical situation with the Prime Minister and other members of the Government, I cannot refrain from most strongly recommending the immediate sending of every destroyer and all other craft that can be of anti-submarine use. It seems to

me that [this is] the sharpest crisis of the war and the most dangerous situation for the Allies that has arisen or can arise. If enough submarines can be destroyed in the next two or three months, the war will be won; and if we can contribute effective help immediately, it will be won directly by our aid. I cannot exaggerate the pressing and increasing danger of the situation. Thirty our own destroyers and other similar craft sent by us at once would very likely be decisive. There is no time to be lost.

PAGE

File No. 763.72/4122

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 28, 1917, 2 p. m.*
[*Received April 28, 1.05 p. m.*]

6114. For the Secretary of the Navy from Admiral Sims:

2. Although unaware situation as regards our forces available and their material condition, nevertheless, owing gravity submarine situation, I cannot avoid urging importance time element and fact that pressing need of moment is numbers of vessels in critical area. We cannot send too many or too soon. If last week's rate of loss is continued any other means of cooperation in future including increased shipping may be too late. Severity of enemy submarine campaign indicates critical time now and within next two months. All military information points to immediate mission of breaking enemy submarine morale. As British are concentrating more forces in critical area, I cannot exaggerate importance of our forces being followed immediately by adequate repair and supply facilities, particularly for all special repairs and needs peculiar to our ships' facilities at Queenstown and neighboring bases, greatly overstrained by volume of work and lack of labor.

PAGE

File No. 763.72/4127

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *April 28, 1917, 2 p. m.*
[*Received 3.10 p. m.*]

937. Informed by Prime Minister that Prince of Udine heads mission to United States. Other members probably Marquis Borsarelli, Undersecretary of State; Senator Marconi; Arlotta, Minister of Transportation; Nitti, former Minister of Agriculture; and two others.

NELSON PAGE

File No. 868.00/102

The Secretary of State to the Minister in Greece (Droppers)

[Telegram]

WASHINGTON, *April 28, 1917, 4 p. m.*

270. Your 300, April 17,[1] does not answer questions Department's 247,[2] April 4, relative to parliamentary elections and dissolution Parliament. LANSING

File No. 763.72112/3605

The Greek Chargé (Vouros) to the Secretary of State

[Translation]

No. 765 NOTICE

The sincere and loyal attitude of Greece has been ignored by the Allied Governments. The Greek people, who cannot harbor any hostile sentiment toward the Entente powers, have been subjected to the worst forms of humiliation . . . .

The Hellenic Government after the occurrences of December last, which it was foremost in deploring, scrupulously complied with the conditions imposed by the ultimatum of January 8. After giving such evidence of its sincere desire to have normal relations restored, it had a right to hope that the Allied powers would redeem with the same scrupulous exactness the obligations they had assumed. Nevertheless the blockade enforced for nearly five months and forbidding even the coastwise and fishing trades, is still raging, whereas, under the arrangement arrived at, it should have been raised long ere this.

The Hellenic Government prays the Government of the United States, guardian of the liberties and rights of the small nations, to plead with its allies the cause of the liberty and rights of the Greek people. It leaves the situation to its arbitrament and begs it to intercede with them with a view to obtaining without further delay the raising of a blockade which reduces the people of Greece to the direst extremity. A. VOUROS

WASHINGTON, *April 17/30, 1917.*

File No. 763.72/4356

The Russian Chargé (Onou) to the Secretary of State

No. 340 WASHINGTON, *May 1, 1917.*

EXCELLENCY: I had the honour, by instruction of my Government, to transmit to Your Excellency, in my note of April 21st ultimo,

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[1] *Ante*, p. 28. [2] Supplement 1, p. 77.

No. 300,[1] the text of the communication addressed on behalf of the Russian Government to the Government of the United States in regard to the pressing needs of the naval defense of the Arctic coast of Russia. In the subsequent personal interview with Your Excellency I had the honour to point out, according to further instructions received from Petrograd, that the Russian Government, considering this question as being of the most vital importance for the general military situation of Russia and her military efficiency, expressed the hope that the Federal Government would give the most serious consideration to the urgent appeal for assistance formulated in this communication.

I am now in receipt of complementary instructions requesting me to suggest to Your Excellency that in view of the connection of this question with the general naval cooperation, which may be discussed by the United States naval authorities with the members of the British mission, the Russian Government would greatly appreciate if Captain Mishtowt, naval attaché of this Embassy, would be given the opportunity to take part in these conferences with the object of giving all necessary informations and explanations with regard to the naval situation in the Arctic Sea and the needs of its defense.

Awaiting a kind communication from Your Excellency with regard to this suggestion, I avail myself of this opportunity to renew [etc.]

C. Onou

File No. 763.72/4196

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

Athens, *April 30, 1917, 10 p. m.*
[*Received May 1, 9.10 a. m.*]

317. Provisional Government states that being at war with Bulgarians and Germans it has sent commissioners composed of Kafandaris, Papadopmielos, Travlos, Paspatis, Aravantinos, Retsinopoulos, Zanos, Yenicosta, to United States to enlist volunteers. Provisional Government says that they do not propose to open recruiting offices or violate laws but only to facilitate departure those who wish to serve. Provisional Government requests tacit courtesy of the American Government to commission.

Droppers

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[1] *Ante*, p. 32.

File No. 868.00/105

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *April 30, 1917, 9 p. m.*
[*Received May 1, 10.20 a. m.*]

316. Replying to 270, April 28, 4 p. m. After resignation of Venizelos, March, 1915, election held in June giving him decided majority; after second resignation September, 1915, Parliament again dissolved. In election held December, 1915, his party refused to vote on the ground that army was mobilized and no fair election could be held. Resulting Parliament entirely anti-V[enizelist]. This Parliament ordered closed by Allies June, 1916, no other election held. No other election now could be held properly either in Old or New Greece since military or semi-military powers have complete control accompanied with jurisdictions. Hatred bitter between two parties. Provisional Government called into being by three persons of standing, Venizelos, Danglis and Kondouriotis, some taking part in the summoning Chamber of June, 1915, to meet at Salonica. DROPPERS

File No. 763.72/4377a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *May 1, 1917, 1 p. m.*

1366. From various sources there have come to the Department certain reports as to the views held by the Russian Government and people concerning the British and French commissions now in this country. These reports have been confirmed by a conversation which I had on Saturday, April 28, with Mr. Onou, the Russian Chargé.

It appears that the Russian Government has the impression that the British and French representatives came to this country, presumably at the invitation or suggestion of this Government, to hold a joint conference as to the conduct of the war and as to the objects to be attained. It is natural that having this impression the Russian Government should feel that it had been ignored in not being invited to participate in so important a conference which would deal with subjects of vital interest to Russia.

The impression is, however, founded entirely upon error. Independently and each acting without the knowledge of the other the British and French Governments asked this Government if it would be acceptable to it if they sent missions to this country to express to

the President and the American people their gratification at the entry of the United States into the war and to give to our authorities information which would prevent them from making the mistakes which were made by the Allied Governments at the beginning of the conflict. To these inquiries this Government of course answered in the affirmative. It then advised each Government of the intention of the other, which I am informed was the first intimation of the fact either had received.

The two missions came to this capital independently and all intercourse between this Government and the two groups of commissioners has been several and never joint. There is no purpose to consider matters jointly.

It is understood that the Italian Government contemplates sending a commission of a similar nature, which will also be treated independently. If the Russian Government had intimated a desire to send a commission to this country it would have been welcomed in the same cordial spirit as have those which have arrived.

I would further point out that we are sending to Russia and to no other country at the present time a commission of prominent men because of the intense sympathy of the American Government and people for the great nation which has become a democracy. The commission will be headed by Honorable Elihu Root, a most distinguished statesman, who is devoted to the cause of political liberty and to the sovereign rights of the people. It is the primary purpose of this commission to convey to the Russian Government the friendship and good will of this nation and to express the confident hope that the Russian people, having developed a political system founded on the principle of democracy, will join with the free people of America in resisting with firmness and fortitude the ambitious designs of the German Government which by force, intrigue, and deception they are striving to attain. The commission will further be charged with the duty of finding the most efficient means of cooperating with the Russian Government in the prosecution of the war with the united purpose of accomplishing the overthrow of military autocracy, which menaces human liberty and all democratic institutions.

You may, as soon as opportunity offers, state the foregoing to the Minister of Foreign Affairs and assure him that I have learned of the erroneous impression held by the Russian Government with deep concern, and am most desirous that it should be removed not only because of the ancient friendship of our two countries but because of the frankness and confidence with which one democracy can always communicate with another.

LANSING

File No. 763.72/4266

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *May 1, 1917, 9 p. m.*
[*Received May 2, 2.05 p. m.*]

1240. Differences which would have existed in Ministry about foreign policy have been satisfactorily adjusted, and I shall be officially advised in a few days concerning Russia's aims in war controversy. Mainly about Constantinople which Allies promised to former Government, and which Minister for Foreign Affairs still desires. Minister of Justice, however, contends Dardanelles be neutral and open to all and I think such policy [will] prevail. To-day, as May Day, close holiday. Millions parading with bands and banners, numerous orators addressing crowds, great divergence of views but no disturbances, everything orderly.

FRANCIS

File No. 763.72/4196

The Secretary of State to the Minister in Greece (Droppers)

[Telegram]

WASHINGTON, *May 3, 1917, 4 p. m.*

271. Your 317, April 30, 10 p. m. Proposed action by Venizelist commissioners in United States impossible at present. Question of attitude United States towards Provisional Government still under consideration.

LANSING

File No. 763.72/4984a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *May 3, 1917, 4 p. m.*

1370. Advise the Foreign Office that the Navy Department has informed the Russian naval attaché that it is glad to relinquish to the Russian Government the patrol boats which the Russian Government had ordered and also the yachts and ice breaker which the Russian Government had negotiated to purchase. The vessels would be transferred to the Russian flag and sail as soon as the Russian naval attaché makes arrangements.

Regarding the naval program for the patrol of the White Sea, the Navy Department hopes to be able to send some patrol boats soon, but at the present time has absolutely none available, or even enough to establish our own coast patrol.

LANSING

Note and Declaration of the Russian Provisional Government on the Aims of the War, Communicated May 3—Message of the American Federation of Labor to the Council of Workmen's and Soldiers' Deputies on the Terms of Peace—Discussions with the French and British Missions—Arrival of a Permanent French High Commissioner, Tardieu—Dispatch of the Staff of the American Expeditionary Force—Relations with Bulgaria

File No. 763.72/4389

The Russian Chargé (Onou) to the Secretary of State

[Translation]

No. 343 WASHINGTON, *May 3, 1917.*[1]

[*Received May 4.*]

MR. SECRETARY OF STATE: The Provisional Russian Government, on March 27 of this year,[2] published a manifesto to the citizens in which it set forth the views of free Russia's Government on the aims of the present war.

The Minister of Foreign Affairs directs me to communicate to you the said document and to accompany it with the following remarks:

Our enemies have lately been endeavoring to sow dissension among the Allies by propagating inane reports about the alleged intention of Russia to conclude a separate peace with the Central Monarchies. The text of the enclosed document will best refute such fabrications. The general principles therein enunciated by the Provisional Government are in entire agreement with the lofty ideas that have constantly been proclaimed to the most recent hour by eminent statesmen in the Allied countries. Those principles have also been given luminous expression in the words of the President of our latest ally, the great Republic beyond the seas. The government of the old régime in Russia assuredly was not in a position to imbibe and share those views on the liberating character of the war, the creation of a stable basis for the pacific cooperation of the peoples, the liberties of oppressed nations, etc. Emancipated Russia can now speak a language that will be understood by modern democracies and hastens to mingle her voice with those of her allies. Imbued with this new spirit of a freed democracy, the Provisional Government's declarations cannot of course afford the slightest ground for the deduction that the collapse of the old edifice means a lesser share taken by Russia in the common struggle of all the Allies. Quite to the contrary, the national will to carry on the World War to a decisive victory has been still further accentuated by that sense

[1] The date on which this note was sent out by the Russian Minister of Foreign Affairs, for communication to the American and Allied Governments, was May 1, and it is generally referred to as of that date in historical accounts and in the discussion which followed in Russia; see despatch from the Consul in Petrograd, No. 300, May 8, *Foreign Relations*, 1918, Russia, Vol. I, p. 42.

[2] Old style; April 9, new style.

of responsibility which now rests upon all jointly and severally. This tendency has been rendered even more active by the fact that it is centered on the immediate task which all have so much at heart—that of driving back the enemy who invaded the territory of our fatherland. It remains understood, and the enclosed document expressly so states, that the Provisional Government, while safeguarding the rights acquired by its country, will continue the strict observance of the engagements assumed toward Russia's allies. Firmly convinced of the victorious outcome of the present war, and in perfect accord with its allies, the Provisional Government is equally sure that the problems arising out of this war will be solved by means of the creation of a firm basis of a lasting peace and that, inspired by identical sentiments, the allied democracies will find means of obtaining the guarantees and sanctions needed to prevent a recurrence of sanguinary conflicts in the future.

Be pleased to accept [etc.] C. Onou

[Enclosure—Translation]

Proclamation of the Provisional Government

The Provisional Government, having looked into the military situation of Russia, has decided in the name of its duty to the country to give the people straightforwardly the whole truth. The power that has now been overthrown left the defense of the country in a difficult and disorganized situation. Through its guilty inaction and unskilful measures it disorganized our finances, supply service, transportation, and the furnishing of the army with ammunition. It has shaken our whole economic organization. The Provisional Government, with the lively and active cooperation of the whole people, will devote its entire strength to repairing those weighty consequences of the old régime. There is, however, but little time. The blood of many sons of the fatherland has been lavishly spilt in the course of these two and one-half long years of war, yet the country is still under the power of the mighty enemy who occupies whole territories of our state and in these present days of the birth of Russian freedom threatens us with another decisive onslaught. The defense, at any cost, of our national patrimony and the liberation of the country from the enemy who has invaded our borderlands constitute a capital and vital problem for our warriors who are defending the freedom of the people. Leaving it to the will of the people, in close union with our allies, finally to settle all questions relative to the World War and its conclusion, the Provisional Government deems it its right and duty to declare here and now that free Russia does not aim to dominate other peoples and deprive them of their national patrimony, to occupy foreign territories by force, but to establish a firm peace on the foundation of the right of peoples to determine their own destiny. The Russian people do not covet any

accession of power abroad at the expense of other peoples, do not aim to subjugate or degrade any one. In the name of the higher principles of equity it has removed the shackles that weighted down the Polish people. But the Russian people do not admit that their country should come out of the great struggle debased or shaken in its vital forces. These principles will form the basis of the foreign policy of the Provisional Government, which unfailingly carries out the will of the people and safeguards the rights of our country, while abiding by the pledges given to our allies. The Provisional Government of free Russia has no right to hide the truth from the people—the state is in danger. Every element of strength must be brought into play to save it. Let the country respond to that truth, not with a futile depression and discouragement, but with a unanimous *élan* arising out of the creation of a unified national will. It will give us renewed strength for this struggle and will secure our salvation. May the whole country, in the trying hour of ordeal, find within itself the needed strength to consolidate the freedom that has been conquered and devote itself to untiring labor for the welfare of free Russia. The Provisional Government, which has taken a solemn oath to serve the people, is firmly convinced that with the general and unanimous support of each and every one it will be in a position to fulfil its duty to the country to the very end.

PRINCE LVOFF
President of the Council

File No. 868.00/107

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *May 4, 1917, 1 p. m.*
[*Received 12 p. m.*]

322. Zaimis has consented to form a new ministry. It is hoped that he will improve Greco-Entente relations. DROPPERS

War Department Files: WCD 9971–A–47

Notes on a Conference Held between the British Mission to the United States Headed by Mr. Balfour; the Secretary of War; and Representatives of the War Department and the General Munitions Board in May, 1917 [1]

The subjects listed for conference were:

(*a*) Expeditionary Force;
(*b*) Date of departure of said force;

[1] This paper bears the annotation: "From notes made during the conference—original herewith. P. E. Pierce. May 6, 1918." It was enclosed by him, together with penciled notes, in a letter to the Acting Chief of Staff, dated May 3, 1918, signed by the writer as Brigadier General, N. A., stating that it was forwarded for historical record, as no official minutes were kept. The date of the conference appears to have been May 5, 1917; see Mr. Balfour's letter of May 7, *post*, p. 59.

(*c*) Types of guns and ammunition;
(*d*) Recruitments;
(*e*) Military information;
(*f*) Shipping.

Mr. Balfour, having been introduced by the Secretary of War, stated in regard to the Expeditionary Force and the date of its departure, that immediate assistance was needed on the European battle fields; that the need is so pressing that the United States should not wait to thoroughly train its forces; that the training could be done on the field of operations; that neither the French nor the British could increase their man power—the latter on account of the industrial needs. He called attention to the great quantities of supplies required and that Great Britain was furnishing large quantities to her allies. He stated that delay of sending a force until January next would be a pity—that lack of tonnage makes necessary the sending of a continuous stream of men beginning as soon as possible.

As to guns and ammunition, Mr. Balfour remarked that it would be a pity to complicate the supply question by additional types of guns and ammunition; that he thought Marshal Haig and Marshal Joffre would say that the situation would be adversely affected by the introduction of new types; that the matter should be given most careful consideration by the proper military authorities.

In regard to recruitments, he expressed the hope that Americans then serving with the Allies might remain. He paid a very high compliment to their services. He also dwelt on the advisability of permitting volunteering in our country of men beyond the draft age. He expressed himself strongly in favor of this.

Mr. Balfour dwelt on the great need of experienced surgeons and nurses. He expressed the greatest gratitude for the steps taken by the United States to supply the need, and the hope that further assistance would be given immediately.

After making a few comments on the remarks of Mr. Balfour, the Secretary of War referred the matter of the Expeditionary Force to a committee consisting of General Bridges of the British Army and General Scott of the United States Army; the types of guns, ammunition, etc., to General Crozier and the General Staff. He stated that the decision of calibres and types should be considered by the General Staff. After a decision was reached the recommendation of the General Staff should be returned through General Bridges and General Scott to the Secretary of War and Mr. Balfour. The

Secretary of War then stated that it seemed inadvisable to permit men beyond the draft age to volunteer—that such privilege would prevent the full employment of the selective draft process advocated by the War Department. Finally, he appointed a committee consisting of Mr. Baruch, Mr. Coffin, and Mr. F. A. Scott to confer with General Kuhn on this subject.

File No. 763.72/4356

The Secretary of State to the Russian Chargé (Onou)

No. 211 WASHINGTON, *May 7, 1917.*

SIR: I have the honor to acknowledge the receipt of your note No. 340, of May 1, 1917, relative to the naval defense of the Arctic coast of Russia, in which you indicate the desire of your Government that Captain Mishtowt, naval attaché of the Embassy, be given an opportunity to participate in conferences between the naval authorities of this Government and the members of the British mission regarding naval cooperation.

In reply I beg to refer you to my suggestion made to you orally on May 1, that informal application be made to the Secretary of the Navy for a conference between the Russian naval attaché and the United States naval officers.

Accept [etc.] ROBERT LANSING

File No. 861.00/350a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *May 7, 1917, 4 p. m.*

1385. Have the following message delivered to the Executive Committee of the Council of Workmen's and Soldiers' Deputies. Suggest that the delivery of the message be made entirely unofficial so as not to have the appearance of an attempt on the part of this Government to influence their actions. Give copy of message to representative of Vestnik.[1]

Washington, May 6, 1917.

Executive Committee of the Council
of Workmen's and Soldiers' Deputies, Petrograd, Russia:

The gravest crisis in the world's history is now hanging in the balance and the course which Russia will pursue may have a determining influence whether democracy or autocracy shall prevail. That democracy and freedom will finally prevail there can be no

[1] Russian telegraphic news service.

doubt in the minds of men who know, but the cost, the time lost, and the sacrifices which would ensue from lack of united action may be appalling. It is to avoid this that I address you. In view of the grave crisis through which the Russian people are passing we assure you that you can rely absolutely upon the whole-hearted support and cooperation of the American people in the great war against our common enemy Kaiserism. In the fulfillment of that cause the present American Government has the support of 99 per cent of the American people, including the working class of both the cities and of the agricultural sections.

In free America as in free Russia the agitators for a peace favorable to Prussian militarism have been allowed to express their opinions so that the conscious and unconscious tools of the Kaiser appear more influential than they really are. You should realize the truth of the situation. There are but few in America willing to allow Kaiserism and its allies to continue their rule over those non-German peoples who wish to be free from their domination. Should we not protest against the pro-Kaiser socialist interpretation of the demand for "No annexation," namely, that all oppressed non-German peoples shall be compelled to remain under the domination of Prussia and her lackeys Austria and Turkey? Should we not rather accept the better interpretation that there must be no forcible annexations, but that every people must be free to choose any allegiance it desires, as demanded by the Council of Workmen's and Soldiers' Deputies?

Like yourselves, we are opposed to all punitive and improper indemnities. We denounce the onerous punitive indemnities already imposed by the Kaiser upon the people of Serbia, Belgium, and Poland.

America's workers share the view of the Council of Workmen's and Soldiers' Deputies that the only way in which the German people can bring the war to an early end is by imitating the glorious example of the Russian people, compelling the abdication of the Hohenzollerns and the Hapsburgs and driving the tyrannous nobility, bureaucracy, and the military caste from power.

Let the German Socialists attend to this and cease their false pretenses and underground plotting to bring about an abortive peace in the interest of Kaiserism and the ruling class. Let them cease calling pretended "international" conferences at the instigation or connivance of the Kaiser. Let them cease their intrigues to cajole the Russian and American working people to interpret your demand, "No annexation, no indemnities," in a way to leave undiminished the prestige and the power of the German military caste.

Now that Russian autocracy is overthrown neither the American Government nor the American people apprehend that the wisdom and experience of Russia in the coming constitutional assembly will adopt any form of government other than the one best suited to your needs. We feel confident that no message, no individual emissary, and no commission has been sent or will be sent with authority to offer any advice whatever to Russia as to the conduct of her internal affairs. Any commission that may be sent will help Russia in any way that she desires to combat Kaiserism wherever it exists or may manifest itself.

Word has reached us that false reports of an American purpose and of American opinions contrary to the above statement have gained some circulation in Russia. We denounce these reports as the criminal work of desperate pro-Kaiser propagandists circulated with the intent to deceive and to arouse hostile feelings between the two great democracies of the world. The Russian people should know that these activities are only additional manifestations of the "dark forces", with which Russia has been only too familiar in the unhappy past.

The American Government, the American people, the American labor movement, are whole-heartedly with the Russian workers, the Russian masses, in the great effort to maintain the freedom you have already achieved and to solve the grave problems yet before you. We earnestly appeal to you to make common cause with us to abolish all forms of autocracy and despotism and to establish and maintain for generations yet unborn the priceless treasures of justice, freedom, democracy, and humanity.

American Federation of Labor
Samuel Gompers, President

LANSING

File No. 763.72/4127

The Secretary of State to the Ambassador in Italy (Page)

[Telegram]

WASHINGTON, *May 7, 1917, 7 p. m.*

799. Your 937, April 28, 2 p. m.[1] Inform Italian Government of this Government's pleasure in receiving distinguished members of Italian commission.[2]

LANSING

File No. 763.72/5403

Mr. Balfour, for the British Special Mission, to the Secretary of State

WASHINGTON, *May 7, 1917.*
[*Received May 8.*]

DEAR MR. SECRETARY: At the conference on Saturday[3] various subcommittees were appointed to deal with military subjects, but a certain group of questions concerning munitions was not touched on. As time is drawing on it seems desirable that these should be discussed very soon, as some of them raise points on which early action may be required. For example, the question of acetone is one in which we think that the United States Government might assist us in our negotiations with manufacturers, but we must take some steps within the next few days. It is not yet clear through what

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[1] *Ante*, p. 47.
[2] This mission arrived in New York May 10. See footnote 1, *ante*, p. 20.
[3] See *ante*, p. 55.

channel we should act in such cases, nor, so far as I am aware, is the policy clear as to the form in which any assistance that you may be good enough to render us will take.

Again, I have learned from London that the Russian Government may very shortly be initiating proposals for assistance from your Government, and it is I think important that we should put you in touch with the action as regards munitions for Russia which we have taken and the reasons which led the Allied conference at Petrograd to adopt the programme which is now governing Russian supplies.

The question of the orders for guns to be placed by us with American firms is also engaging the attention of the Government at home. This matter cannot of course be finally settled by the present mission, but we should be glad to carry it as far forward as possible before we leave.

I should be very grateful if you could help me to push on the various subjects to which I have referred in this letter, and I think this can best be done by having an early conference on the whole munitions question as sketched out in the original programme.

Yours very sincerely,

ARTHUR JAMES BALFOUR

File No. 861.00/350

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram—Extract [1]]

PETROGRAD, *May 5, 1917, 7 p. m.*
[Received May 8, 4.05 p. m.]

1253. . . . Ministry issued another note yesterday explaining note of May 3 which explanation merely reiterates previous [note] but has appeased Workmen's Committee. . . .

FRANCIS

File No. 763.72/4472

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *May 8, 1917, 3 p. m.*
[Received 6 p. m.]

6166. Following to be transmitted confidentially to Secretary of the Navy:

Situation continues critical. Total loss last week 113 vessels of 248,000 tons including 15 vessels of 28,000 tons of week before not

[1] The entire telegram is printed in *Foreign Relations*, 1918, Russia, Vol. I, p. 41. The sentence here given is the only account sent by the Ambassador of the Provisional Government's second communication, which was made to him instead of through the Embassy at Washington.

previously reported. Many steamers and sailing vessels being lost which could be saved if tugs were available and strategically located. Therefore urgently recommend that as many seagoing tugs as possible, at least ten, immediately be added to our naval forces here. Tugs should be commissioned and armed. Hospital ship will be assigned our forces if found necessary. Request information as to sailings of our forces and from time to time as much information as practicable concerning Department's intentions or plans as affecting our naval forces in these waters. . . . Can one anti-aircraft gun be supplied via supply ships for each of our destroyers not to delay sailing? Sims.

PAGE

File No. 763.72/4497

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *May 8, 1917, 5 p. m.*
[*Received May 9, 7.40 a. m.*]

653. *Vossische Zeitung*, May 4, reports the minutes of the meeting held May 3 by the general committee of the German Imperial Diet with reference to Belgium. It was there stated that the annexation of Belgium could be considered as an accomplished fact and that a half-sovereign Belgium would only be a constant war threat. Belgium must be divided for political administrative purposes into Flanders and Walloon with one governor general at the head. It was also stated that the order of the Kaiser relative to the return of the Belgian workers had in large measure been executed. Another speaker said that nothing had damaged Germany so much as the phrase "wrongs against Belgium." He continued:

However, in this war of starvation any exaggerated regard for the inhabitants of occupied countries would be a hardship for our own people. Workers who are superfluous in Belgium must be employed elsewhere. The occupied territories which are not so much smaller than Germany have really done very little towards feeding our army.

A Social Democrat taking up the opposition said that Belgium must be left free to have the Government she wishes and that to proclaim a kingdom of Flanders when only a minority of the Flemish demanded it would be entirely wrong. He added that the recent deportation of Belgian workers had made all chance of reconciliation between Flanders and Germany hopeless.

EGAN

File No. 763.72/4549

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *May 10, 1917, 4 p. m.*
[*Received May 11, 6.30 a. m.*]

659. Newspapers report from Berlin to-day that the Secretary of the Navy addressed the Reichstag yesterday stating that the results obtained by the submarine warfare during the last three months were far in advance of what had been expected. In the course of that period the submarines had sunk 1,826 vessels representing approximately 2,800,000 tons. He stated that many thousand hands were engaged in the building of new submarines, the capability of which was constantly being improved. He indicated that there existed the best possible morale among the crews and that applications for entering that service were pouring in. He admitted that a certain number of submarines were lost as a result of the improved means of destruction devised by the Allies but stated that there existed no radical means of defeating them. He concluded by stating that every soul in the Navy from the commander in chief to the youngest sailor had an unshakeable confidence in the final result of the submarine warfare. He was greatly applauded.

EGAN

File No. 763.72119/597

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *May 11, 1917, 11 a. m.*
[*Received May 12, 9.40 p. m.*]

893. Approximately two hundred Russian pacifists are leaving Zürich to-day for Russia through Germany. The German authorities have extended every facility for their trip in the expectation that these pacifists will work for a separate peace with Germany. I have forwarded a copy of this telegram to the Ambassador at Petrograd.

STOVALL

File No. 763.72/4677½

The Japanese Ambassador (Sato) to the Secretary of State

WASHINGTON, *May 12, 1917.*

MY DEAR MR. LANSING: Referring to our conversation of this morning, in order to avoid any possible misunderstanding, may I ask you to be good enough to give me a memorandum setting forth

the main points of your suggestion about a Japanese mission to the United States as to the questions to be dealt with and the composition of the mission. Am I right to understand that the commission being "sentimental" as well as technical, is expected to discuss matters pertaining to supplies to European Allies, naval cooperation, financing China, as well as to exchange views on Far Eastern questions and possibly on the so-called Japanese-American problem. Am I also right to understand that either Root mission will visit Japan on its way home or a special mission will be sent to my country.

With high regard, I am [etc.] AIMARO SATO

File No. 763.72/4677½

The Secretary of State to the Japanese Ambassador (Sato)

WASHINGTON, *May 15, 1917.*

MY DEAR MR. AMBASSADOR: In view of the very informal character of our conversation on the 12th regarding the possibility of Japan sending a mission to this country I would not, even in the most unofficial and private way, presume to suggest subjects which might be discussed with them.

I think, in case your Government should deem it wise to send a mission, that they might follow the course of Great Britain and France and merely ask whether a commission to express appreciation of our entry into the war would be agreeable to this Government. I do not think that it would be wise to go further at present. If commissioners should come they would be at liberty of course to take up other matters.

As to the Root commission's possible visit to Japan on their homeward journey, nothing has been settled but I hope and expect to arrange it.

Very sincerely yours,

ROBERT LANSING

File No. 763.72111/5030

The Greek Chargé (Vouros) to the Secretary of State

[Translation]

No. 867 WASHINGTON, *May 15, 1917.*
[*Received May 16.*]

MR. SECRETARY OF STATE: I have the honor to communicate to you hereinbelow the text of a letter which His Excellency Mr. Zaimis, President of the Council of Ministers and Minister of For-

eign Affairs of Greece, sent me by cable with instructions to transmit it to Your Excellency.

The text of this communication, dated May 11, which gives an account of the general lines that the policy of Greece has followed in the war up to this date is as follows:

Mr. Secretary of State: I have the honor to request Your Excellency kindly to present the following statement of the Hellenic Government to the President of the United States of America.

After two wars whose object was the attainment of the national ideal, the people of Greece, at the time of the outbreak of the European war, perceived the enormous dangers that threatened the small countries which might enter a contest disproportionate to their means of action. Imbued with the feeling that it should never enter into conflict with England and the great powers of the Mediterranean to which it is bound by common interests and historic traditions, the Greek people realized, after the entrance of Turkey on the side of the Central Empires, that the entrance of Greece into the opposing camp would be tantamount to the annihilation of Hellenism in Turkey. On the other hand, if Greece were to side with the Entente, the latter did not guarantee her territorial integrity, demanding the cession of part of her territory to the Bulgarians. Without being bound to help Serbia in a world war, which the Greco-Serbian treaty could obviously never have contemplated, Greece, in addition to observing a benevolent neutrality toward her ally, has lent Serbia considerable aid. She has also been able, without being regarded by the Central Empires as a belligerent, to render great services to the Entente which occupied a large part of her territory, is using her coasting fleet and commercial vessels, and has drawn heavily on the resources of the country. If she had become a belligerent she would have run the risk of being invaded by the enemy which, apart from the calamities entailed for Greece, would have presented grave inconveniences and dangers to the Entente itself, without any other advantage than the accession of an army that could easily be offset by the adversary. These considerations have become emphasized since Bulgaria and Germany, in consequence of the Allied expedition into Macedonia, have in turn occupied a part thereof.

Trusting in the fair judgment of the Government of the United States and of the eminent statesman who presides over its destiny, the Hellenic Government hopes that these explanations will be accepted in the same friendly spirit that has ever animated the United States of America toward Greece. They may perhaps serve to clear up the situation in Greece and contribute to the adoption of a policy that is equitable and consonant with the highest interests of mankind toward a nation which is as eager for freedom as the American people and as jealous of its independence and its rights.

The Royal Government, on its part, will spare no effort calculated to advance the restoration of sincere and cordial relations as well as the pacification of the country within, hoping to find general support in the accomplishment of its task. Zaimis.

In bringing the foregoing to Your Excellency's knowledge, I take this opportunity [etc.]

A. Vouros

File No. 033.5111/2

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *May 15, 1917.*
[*Received May 17.*]

MR. SECRETARY OF STATE: Referring to the oral explanations that have been given to the Department of State in regard to the early arrival in the United States of M. André Tardieu, Deputy, in the capacity of High Commissioner of the French Government in charge of the centralization of our various technical missions to this country,[1] I have the honor to inform Your Excellency that he will be accompanied by:

M. Edouard de Billy, delegate general of the Quartermaster General's Office; M. Level, delegate of the Supplies Office; M. Ganne, delegate of the Armament Office; and M. Cablat, delegate of the Ocean Transport Office.

I deem it my duty to bring this information to Your Excellency's knowledge for all pertinent purposes and wish to add that a similar organization has been established by the Government of the Republic with respect to the centralization of our technical missions to England.

Be pleased to accept [etc.] JUSSERAND

File No. 763.72/4781c

The Secretary of State to the Minister in Denmark (Egan)[2]

[Telegram]

WASHINGTON, *May 17, 1917, 4 p. m.*

354. In scanning German press, please watch for comment indicating German jubilation or satisfaction over what they may take to be America's dilatory start in the war.

LANSING

File No. 763.72119/602

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *May 17, 1917, 2 p. m.*
[*Received 10.30 p. m.*]

672. Immediately before the Chancellor addressed Reichstag in response to the interpellations made by the Conservatives and the

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[1] He reached Washington May 17.

[2] The same telegram was sent May 17 to the Minister in Switzerland (No. 582) and the Chargé in the Netherlands (No. 521).

Socialists relative to Germany's war aims Scheidemann addressed the session in part as follows:

An early understanding of peace would be a blessing for Europe. Ninety-nine per cent of all people are looking hopefully to Stockholm. If France and England decided to drop their plans of annexation and Germany would insist upon a policy of conquest a revolution would break out in this country immediately. (Cries of "Down with him!" Storm of disapproval ran over the hall.)

Well, we have not reached this point yet. The enemy will not give up their plans of annexation. A peace should be concluded which is justifiable to all parties. I am perfectly convinced that no peace will be concluded before the boundaries of Europe have been regulated. But this must be accomplished through a mutual understanding. Long live peace and a free Europe!

EGAN

File No. 868.48/6

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *May 17, 1917, 8 p. m.*
[*Received May 18, 5.15 a. m.*]

338. Absolutely no flour, wheat, or bread in Greece at the present moment. Much hunger in evidence. About a thousand tons wheat [*sic*]. Situation serious and a little disquieting. Legation obtains supplies from French Admiral. I venture to suggest that our Government urge Allies to hasten supplies to Greece, also lifting blockade would make excellent impression. These suggestions primarily in the interest of Entente, not so much of Greece. The obstacle is General Sarrail who cannot, however, protect us in Athens.

DROPPERS

File No. 763.72/4799a

The Secretary of State to the Ambassador in Great Britain (Page) [1]

[Telegram]

WASHINGTON, *May 19, 1917, 3 p. m.*

4853. Major General Pershing, Commander American expedition, accompanied by staff and headquarters, numbering altogether about 150 persons, will sail on the *Baltic* on May 24 [2] for England *en route* to France. Make arrangements to facilitate entry and passage through England. Officers and soldiers in uniform will not

[1] The same, *mutatis mutandis*, on the same date, to the Ambassador in France (No. 2272), referring to entry into France.

[2] By telegram No. 4868, May 24, the date of sailing was changed to May 28. (File No. 763.72/4815.)

be provided with passports. Civilian employees will be provided with certificates of identification issued by the War Department, with photographs attached. Please ascertain and telegraph Department as soon as possible whether this arrangement will be satisfactory, as to this particular party and as to members of expeditionary forces who may pass through England hereafter.

LANSING

File No. 763.72/4787

The Consul General at Sofia (Murphy) to the Secretary of State

[Telegram]

SOFIA, *May 10, 1917, 10 p. m.*
[Received May 19, 3.35 p. m.]

Audience with Minister for Foreign Affairs Wednesday. Received assurances that there would be no break in relations happily existing between the two countries. German-Austrian pressure is still very great but up to date has failed. Official circles in Bulgaria strongly in favor of friendly relations, public sentiment likewise. Newspaper reports of disturbances in Bulgaria entirely unfounded.

MURPHY

File No. 763.72/4686½

Mr. Balfour, for the British Special Mission, to the Department of State

WASHINGTON, *May 24, 1917.*

MEMORANDUM

The following are some brief notes on certain subjects of great importance which have been discussed during the stay of the British mission at Washington, but on which no final decision appears to have been come to. Their enumeration may be convenient to the Departments of both Governments.

1. Purchase of war materials, etc.

(*a*) The entry of the United States into the war has been of incalculable benefit to the Allied cause, but has brought with it some disadvantages which are inevitable, but I hope temporary. When the United States of America were a great producing country but not a belligerent, the problem before the European Allies as buyers in the American market was to prevent undue competition among themselves and to arrange for the financing and transport of what they purchased. Very elaborate organisations were devised for these purposes which on the whole worked fairly well. The fact that most of the tonnage and most of the credit were in one hand probably made it easier to come to a working arrangement.

A new state of things, however, immediately arose on the declaration of war by the United States. They became a fighting country as well as a producing one. In the former capacity they necessarily compete in their own markets with the Allies; and in the absence of specific arrangements they inevitably obtain a priority, both of manufacture and transport, undoubtedly injurious to the armies fighting in Europe and not necessarily of advantage to the army which is being created in America.

Evidently therefore some co-ordination is urgently required by which delays, whether in the execution of orders or in the transport of material may be avoided.

(*b*) There seems to be a general desire to obtain this co-ordination by making all war purchases through a single channel; and this appears, as far as I can judge, to be the best, if not the only method, of reaching the desired end. But if all purchases are to be made by one authority they must surely be also made at one price; and to such a uniformity of procedure some objection has, I understand, been raised by certain departments in the United States. I hope however that these objections will be got over. Evidently the question is not a departmental one. It must be treated as a whole. The United States of America are not merely great sellers of war material; they are also great purchasers of war material. All the wool, all the jute, and a very large part of the rubber, tin, and ferromanganese which they require come, I believe, from the British Empire. Evidently we have here a case in which the policy to be adopted is one of reciprocal rationing—and reciprocal rationing between Allied Governments seems to carry with it as a practical, if not a logical, corollary, identity of price to all purchasers.

2. Military equipment

The subject of munitions has been much debated by the experts in the United States War Department and those attached to the mission. But points of the first importance seem still undecided; nor is there at present, so far as I am aware, any single authority in the Administration which has power to deal with them in their practical as well as their theoretical aspect. The discussions which have taken place have indeed been of great value; but evidently decisions are urgently needed. Delay in determining types necessarily involves delay in producing guns and ammunition; and this in turn must hamper the rapid equipment of a large American army. I need not say that I fully recognise that the equipment of United States troops is a matter for the United States Government alone; but so far as the problem is looked at merely from the point of view of the Allied armies in France, it seems fairly clear that the best and quickest results could be obtained by employing for the United States army the

weapons on which the United States manufacturers have been engaged in producing for the British forces since the beginning of the war. It is believed that the immense quantity of material required for a new army could be more quickly produced in this way than in any other, and that when produced its management and transport at the front would be attended with fewer difficulties and complications than if a third type of equipment were introduced in addition to the two already in use. It is moreover evident that if the American army in France could on emergency draw upon British reserves, their position would be much more secure than if they depended solely on their line of communication across the Atlantic.

3. Merchant tonnage

The vital importance of this to the Allied cause is universally recognised, and admirable results seem likely to be produced as soon as Congress supplies the necessary funds.

Nevertheless I gather from Mr. Secretary Denman that in some quarters a misunderstanding has arisen on which perhaps it is desirable to say a word.

When the full scope of the danger arising from submarine warfare was realised by the Shipping Controller in London he set to work to contract for ships wherever ships could be built. Practically this meant the placing of orders in United States yards on a very large scale, since the yards of Great Britain and Canada were already utilised to their full capacity. The result has been that orders placed by the British Government, in addition to the large number that had been already placed by Norwegian shipowners, practically filled up all the private yards in the United States. So far no distinction could be drawn by the least friendly critic between the procedure of Great Britain in respect of ships and its procedure in the case of shells or guns. But after the United States had come into the war the Shipping Board and General Goethals set to work to devise methods by which the great capacity of the United States for the manufacture of constructional steel could be diverted by Government action to the rapid construction of cargo steamers; and I learn from Mr. Denman that certain critics, taking these two facts together, have argued that the industry of the United States is to be upset in order that Great Britain may at the end of the war find itself in possession of a mercantile marine built in United States yards by United States labour, with the assistance of the United States Government, and at the cost of the United States public.

It need hardly be said that for this suggestion there is no foundation whatever. The ships were ordered (at very unremunerative prices!) before the United States were themselves involved in the

war and therefore without consultation with them. But the British Government had and have no other interest than that mercantile tonnage should be produced as quickly as possible and in as large quantity as possible and that when produced it should be used to carry on the trades necessary for the effective conduct of the war. The question of ownership is one of very secondary importance; and in no circumstances whatever would the British Government allow themselves to enter into any controversy on such a matter with the Government of the United States who have a right to dictate the policy which, in their somewhat unusual circumstances, should be pursued and on whose justice the British Government entirely rely.

4. Naval questions

As regards naval matters I have only two observations to make. The way in which the Navy Department have met and are meeting out of their existing resources the requests of the British Admiralty for destroyers and other anti-submarine craft has earned our profound gratitude; but the need for increasing the number of destroyers is one of the most urgent in the whole field of naval enterprise, and it would be a great misfortune if the naval yards in the United States could not give material aid in carrying out this policy. This view I understand to be fully shared by the Navy Department and their technical advisers; but unfortunately both the space and the labour of the dockyards are largely occupied with the construction of ships on which the Government is naturally reluctant to stop work since they may be required to meet possible contingencies at the end of the present war. The only way, it would seem, of meeting this difficulty is to give the United States some kind of call upon Allied capital ships should the need for them arise. I have spoken about this to Mr. Secretary Lansing; and it ought not, I think, to be impossible to devise some scheme for consideration by the Governments concerned.

The only other point which I need mention under this heading is the urgent necessity for finding tankers to carry oil for the British Navy. That Navy, so far as its newer type of fighting ships are concerned, is now much more dependent upon oil than upon coal; and it is absolutely necessary that oil in sufficient quantities should be supplied from overseas. For this additional tankers are urgently required. I add details in a note [1] at the end of this paper.

5. There is one other subject which I approach with great diffidence, fully appreciating the fact that the problem is one very largely of internal military administration, and that the difficulties of carrying out the policy which, on purely military grounds, the military members of the British mission would desire to see adopted, might

[1] Not printed.

well seem insuperable to any Government which has to consider its army organisation as a whole.

The facts, as I understand them, are as follows: The United States are sending out a small but well trained body of troops to take an immediate share in the fighting on the French front, where their presence is most important morally and materially. At the same time they are making arrangements for training an important army in America which they hope to use with decisive effect at a later stage of the war.

Now I gather that, in the opinion of those competent to speak from experience, it will not be possible to train and get to the front this new army until next spring. But on the other hand they point out that if, altogether apart from this army, recruits could be sent out for training in France or in England, a really important addition could be made to the fighting man-power of the Allies in the course of the present year and before the winter season hampers military operations. The art of rapidly training recruits has, under the stern pressure of necessity, been brought to the highest pitch of perfection in the French and British Armies. I am assured that average recruits can, under the new system, be turned into good soldiers in nine or ten weeks. A whole body of training experts has been created, just as experts have been created in artillery or in aviation; while the atmosphere in which the training is carried on, in close proximity to the fighting line, makes it speedily effective. In these circumstances, and remembering that time is the essence of the problem, I venture to suggest that it may be worth while for the military authorities of the United States of America to consider whether the great and obvious difficulties in the way of sending over important numbers of American citizens to be trained abroad under conditions which make it difficult to see how they are, for the moment, to form part of an organised force under the Stars and Stripes, can in some way or another be surmounted.

The President's Message of May 22 to the Russian Provisional Government on the Objects of the United States in the War—Initial Measures of Active American Participation in the War—The Belgian, Rumanian, and Japanese Special Missions—The Mission of Lord Northcliffe—Statements of the French Premier and Senate on the Terms of Peace—Developments in Greece: The Abdication of King Constantine

File No. 763.72/5171a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *May 22, 1917, 12 noon.*

1426. You will deliver a verbatim copy of the following communication from the President to the Provisional Government and confer with them as to the propriety of giving it publicity simultane-

ously in both countries. You will please telegraph me promptly of any agreement which is reached as to the time when the publication will take place.[1]

The President's communication is as follows:

In view of the approaching visit of the American delegation to Russia to express the deep friendship of the American people for the people of Russia and to discuss the best and most practical means of cooperation between the two peoples in carrying the present struggle for the freedom of all peoples to a successful consummation, it seems opportune and appropriate that I should state again, in the light of this new partnership, the objects the United States has had in mind in entering the war. Those objects have been very much beclouded during the past few weeks by mistaken and misleading statements, and the issues at stake are too momentous, too tremendous, too significant for the whole human race to permit any misinterpretations or misunderstandings, however slight to remain uncorrected for a moment.

The war has begun to go against Germany, and in their desperate desire to escape the inevitable ultimate defeat those who are in authority in Germany are using every possible instrumentality, are making use even of the influence of groups and parties among their own subjects to whom they have never been just or fair or even tolerant, to promote a propaganda on both sides of the sea which will preserve for them their influence at home and their power abroad, to the undoing of the very men they are using.

The position of America in this war is so clearly avowed that no man can be excused for mistaking it. She seeks no material profit or aggrandizement of any kind. She is fighting for no advantage or selfish object of her own but for the liberation of peoples everywhere from the aggressions of autocratic force. The ruling classes in Germany have begun of late to profess a like liberality and justice of purpose, but only to preserve the power they have set up in Germany and the selfish advantages which they have wrongly gained for themselves and their private projects of power all the way from Berlin to Bagdad and beyond. Government after government has by their influence, without open conquest of its territory, been linked together in a net of intrigue directed against nothing less than the peace and liberty of the world. The meshes of that intrigue must be broken, but cannot be broken unless wrongs already done are undone; and adequate measures must be taken to prevent it from ever again being rewoven or repaired.

Of course, the Imperial German Government and those whom it is using for their own undoing are seeking to obtain pledges that the war will end in the restoration of the *status quo ante*. It was the *status quo ante* out of which this iniquitous war issued forth, the power of the Imperial German Government within the Empire and its widespread domination and influence outside of that Empire.

[1] The communication was published as transmitted on June 10. Correspondence concerning suggestions for alterations, made by the Russian Provisional Government but later withdrawn, is printed in *Foreign Relations*, 1918, Russia, Vol. I, pp. 86 *et seq.*

That status must be altered in such fashion as to prevent any such hideous thing from ever happening again.

We are fighting for the liberty, the self-government, and the undictated development of all peoples, and every feature of the settlement that concludes this war must be conceived and executed for that purpose. Wrongs must first be righted and then adequate safeguards must be created to prevent their being committed again. Remedies must be found as well as statements of principle that will have a pleasing and sonorous sound. Practical questions can be settled only by practical means. Phrases will not accomplish the result. Effective readjustments will; and whatever readjustments are necessary must be made.

But they must follow a principle and that principle is plain. No people must be forced under a sovereignty under which it does not wish to live. No territory must change hands except for the purpose of securing those who inhabit it a fair chance of life and liberty. No indemnities must be insisted on except those that constitute payment for manifest wrongs done. No readjustments of power must be made except such as will tend to secure the future peace of the world and the future welfare and happiness of its peoples.

And then the free peoples of the world must draw together in some common covenant, some genuine and practical cooperation that will in effect combine their force to secure peace and justice in the dealings of nations with one another. The brotherhood of mankind must no longer be a fair but empty phrase: it must be given a structure of force and reality. The nations must realize their common life and effect a workable partnership to secure that life against the aggressions of autocratic and self-pleasing power.

For these things we can afford to pour out blood and treasure. For these are the things we have always professed to desire, and unless we pour out the blood and treasure now and succeed, we may never be able to unite or show conquering force again in the great cause of human liberty. The day has come to conquer or submit. If the forces of autocracy can divide us, they will overcome us; if we stand together, victory is certain and the liberty which victory will secure. We can afford then to be generous, but we cannot afford then or now to be weak or omit any single guarantee of justice and security. Woodrow Wilson.

LANSING

File No. 861.51/148

The Assistant Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *May 17, 1917.*

DEAR MR. SECRETARY: Enclosed is a revised copy of the cablegram suggested to be forwarded to Ambassador Francis at Petrograd concerning the credit of $100,000,000 established in behalf of the Russian Government.[1]

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[1] *Foreign Relations*, 1918, Russia, Vol. III, p. 9.

I wish particularly to call your attention to the use of the expression "and our Allies" on page 3 of the cable, third line from the bottom. There is some question in my mind as to the use of this expression, a question which you alone, Mr. Secretary, can decide.

With much respect [etc.] OSCAR T. CROSBY

File No. 861.51/148

The Counselor for the Department of State (Polk) to the Assistant Secretary of the Treasury (Crosby)

WASHINGTON, *May 23, 1917.*

DEAR MR. CROSBY: In reply to your letter of May 17, I beg to advise you that the telegram enclosed therewith relative to the establishment in the United States of a Russian credit, has been forwarded to the American Ambassador at Petrograd.[1]

The expression on page 3 of the telegram, referred to in the second paragraph of your letter, namely, "and our Allies," was changed to read "and the Allies."

Sincerely yours,

FRANK L. POLK

File No. 763.72/6042

Mr. Balfour, for the British Special Mission, to the Secretary of State

WASHINGTON, *May 18, 1917.*
[*Received May 23.*]

DEAR MR. SECRETARY: At the conference the other day the question was raised as to whether the Allies would be permitted to buy in America at what I think you called the patriotic rates which would be charged to the United States Government. You felt there might be some difficulty in carrying out any scheme of this kind unless the purchases of the United States Army and Navy were brought into the same general scheme as those of the European Allies.

The question is one that evidently deserves careful consideration and it should, I venture to say, be considered in connection with the cognate problems of United States purchases from the Allies of such necessary articles as wool, rubber, tin, jute, ferro-manganese, plumbago, and tonnage accommodation on British and other Allied ships. All purchases made by the Allies from Allies, whether in Europe or America, appear at least at first sight to stand on very much the same footing.

Believe me [etc.] ARTHUR JAMES BALFOUR

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[1] *Foreign Relations*, 1918, Russia, Vol. III, p. 9.

File No. 763.72/4678½

The Japanese Ambassador (Sato) to the Secretary of State

[A copy of the following telegram from the Japanese Foreign Office to the Japanese Ambassador was left at the Department by the Ambassador.]

[*Received May 23, 1917.*]

You are instructed to see the Secretary of State and communicate to him as follows:

The Imperial Government rejoice to see the United States enter into the war, espousing the cause of the Allied powers. Earnestly hoping that thereby the friendship between Japan and the United States may be strengthened more than ever, the Imperial Government have, with that end in view, the intention of sending a special mission to Washington for frank exchange of views on important questions of common interest to both countries.

If the United States Government should concur in the idea, the Imperial Government will further communicate with them when the personnel of the mission is decided upon.

It is desired that this be kept strictly confidential for the present.

[No signature indicated]

File No. 763.72/4678½

The Secretary of State to the Japanese Ambassador (Sato)

WASHINGTON, *May 23, 1917.*

MY DEAR MR. AMBASSADOR: I have read with much satisfaction the communication which you were good enough to deliver to me this afternoon on behalf of your Government.

May I request you to be so kind as to advise the Minister of Foreign Affairs of Japan that the United States reciprocates warmly the expressions of good will and friendship which the communication which you handed to me contains? My Government will consider the sending of a special mission to Washington by the Imperial Government as an evidence of the friendly spirit which animates that Government and will most heartily welcome them as representing a Government and people with whom we are united not only by mutual interests which have long existed, but who are joined to us by a new bond of cooperation against a common foe.

Your Excellency may add that the communication of the Imperial Government will be considered strictly confidential for the present, as requested by that Government, and I will await a further communication from them as to the personnel of the mission, which I hope will be sent speedily since the time for action is already here.

With my very warm regards I am [etc.]

ROBERT LANSING

File No. 033.5111/2

The Secretary of State to the French Ambassador (Jusserand)

No. 1855 WASHINGTON, *May 25, 1917.*

EXCELLENCY: I have the honor to acknowledge the receipt of your note of the 15th instant,[1] relative to the visit to the United States of Mr. André Tardieu, Deputy, in the capacity of High Commissioner of the French Government, in charge of the centralization of the various French technical missions to this country.

In reply I have the honor to say that translations of your note were communicated to the Secretaries of War, the Navy, Treasury, Agriculture, and Commerce, and to the United States Shipping Board, for their information.

Mr. Tardieu arrived some days ago, and was accorded courtesies at the port of arrival, but the Department was not advised of the date of his arrival and it could not extend any further courtesies because of that fact.

. Accept [etc.] ROBERT LANSING

[Telegram of May 21, 1917, from the Minister of Foreign Affairs in the reconstructed Russian Provisional Government (Tereshchenko) to the Secretary of State, conveying assurance of "full solidarity" with the United States in carrying on the war "to secure the freedom of nations and achieve universal lasting peace effectively guaranteed against all later attack," and the Secretary's reply of May 26, expressing gratification at this assurance and emphasizing the importance of continuing the common effort to "defeat the designs and machinations of the German autocratic Government," are printed in *Foreign Relations*, 1918, Russia, Volume I, pages 74, 85.]

File No. 763.72/5148a

The Secretary of State to All Diplomatic Representatives

[Circular telegram]

WASHINGTON, *May 26, 1917.*

Circular 26. Publish following as facts received, but do not reproduce as text of departmental message. Do same with future circulars this character. Repeat consuls.

During seven weeks since declaration war following things accomplished demonstrating this country's complete participation in war and her ability give immediate powerful aid:

Selective draft bill passed and placed speedy operation which will ultimately give Army of two millions.

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[1] *Ante*, p. 65.

Loan legislation passed and law in operation with prospects tremendous success: $750,000,000 advanced Allies.

Flotillas American destroyers sent submarine zone where effectively cooperating.

Nine regiments engineers, one Army division, and expeditionary force Marines ordered to France.

Ten thousand doctors in addition many nurses ordered England and France. Hundreds already gone.

With Americans already members of British and French Armies these additional units will shortly give total 100,000 Americans in France, equalling five German divisions.

National Guard by August will be at full war strength of 400,000, an increase of 250,000.

Regular Army increased nearly 180,000 men by ordinary enlistment.

Navy personnel doubled by same means.

Forty thousand finest types young Americans all now assembled in 16 camps are receiving intensive training to become officers.

Conferences with British and French commissions arranging essentials of cooperation completed.

Great industrial mobilization arranged including that of 262,000 miles railway.

Arrangements made construction 3,500 war planes and training 6,000 aviators this year.

Industrial firms all parts nation lined up for war work.

Nation's natural resources inventoried and placed within reach of this country and her allies.

LANSING

File No. 763.72/4924

The Consul at Cork (Frost) to the Secretary of State

No. 375 CORK, *May 8, 1917.*
[*Received May 28.*]

SIR: I have the honor to report that on the 4th instant a flotilla consisting of six United States naval torpedo-boat destroyers reached Queenstown at approximately 3 p. m. British summer time. This Consulate had been apprised of their prospective advent on the 29th ultimo by Vice Admiral Sir Lewis Bayly commanding in Irish waters. The fact that they were to arrive had been well known here for a fortnight previously.

The following is a list of the vessels which have arrived here, and of their commanding officers:

No. 60, U.S.S. *Wadsworth*, Commander J. K. Taussig
No. 58, U.S.S. *Conyngham*, Commander A. W. Johnson

No. 59, U.S.S. *Porter*, Lieut. Commander W. K. Wortman
No. 62, U.S.S. *Wainwright*, Lieut. Commander F. H. Poteet
No. 54, U.S.S. *McDougal*, Lieut. Commander A. P. Fairfield
No. 65, U.S.S. *Davis*, Lieut. Commander R. F. Zogbaum, jr.

Lieutenant Grady, an experienced submarine officer of the U. S. Navy, accompanied the flotilla to Queenstown, *en route* to join the staff of Admiral Sims at London. I have been informed by Admiral Bayly that six additional destroyers left the United States about the 4th instant, and should reach Queenstown about the 15th or 16th instant.

As this is the first occasion on which American and British armed forces have come into permanent cooperation, the naval authorities, or other authorities of the British Government, evidently judged it well to make the occasion of the landing here somewhat formal. Paymaster Toby of the American Embassy at London and Commander Babcock, aide de camp to Admiral Sims, were sent over from London on behalf of the United States; and Commander Evans, the hero of the Scott Expedition, Commander Churchill, a gunnery expert, and (Army) Captain Maddicks, director of the British Government's photographic and cinematographic service, arrived with Paymaster Toby and Commander Babcock on behalf of the British Government. Captain Maddicks supervised the taking of cinematographic films of several of the ceremonial visits. The weather was excellent; and various shipping companies and offices in Queenstown displayed the Stars and Stripes, this Consulate loaning six or eight flags.

The Admiral's barge containing Commander Churchill, Vice Consul Sherman, and other officials, proceeded to the various destroyers as soon as they had been berthed, and brought their commanders collectively to the naval pier, where they were welcomed by Flag Captain Carpendale, myself, and subordinate naval and consular officials. The party then proceeded in motor cars to the Consulate, where they paid a formal visit, and met the Lord Mayor of Cork and other civic functionaries. From the Consulate we proceeded, still in motor cars, to Admiralty House to meet Admiral Bayly, and thence to the residence of Brigadier General St. John, commanding Queenstown forts and garrison. From General St. John's residence the party returned to the Consulate, to the Royal Yacht Club, and to the destroyers.

On the 5th instant the commanders, with Commander Evans, Commander Babcock, and myself, steamed up the River Lee to Cork in the Admiral's barge and paid our respects to Major General Doran, commanding the South of Ireland; later repairing to the City Hall to return the Lord Mayor's visit.

General St. John and myself, separately, returned the officers' calls on board the U. S. S. *Wadsworth;* and General Doran returned the calls on the *Wadsworth* on the afternoon of the 6th instant.

The arrangements everywhere went off favorably and without mishap, and the general atmosphere was one of cordiality and good will. I was especially pleased at the action of the Lord Mayor, as it indicates that a great body of Irishmen have not been alienated from their esteem for the United States by the latter's alliance with the country which holds Ireland as a conquered province. I have arranged that the payments of the officers and men of the flotilla shall be made through the Munster and Leinster Bank, the largest genuine Irish bank, instead of through the Bank of Ireland, which is owned by English Unionists. This arrangement has the further advantage of avoiding confusion of the accounts of the American and British naval units stationed here, since the British units are paid through the Bank of Ireland.

Various clubs and social associations in and about Cork and Queenstown have given the American officers the freedom of their respective institutions. Mrs. Frost and myself had the pleasure of entertaining the officers in two instalments at tea on the 6th and 7th instants; and Admiral Bayly gave an informal dinner on the evening of the 4th instant to the commanding officers, the Embassy representatives, and myself.

The arrangements for shore relief for the enlisted men and petty officers have been made slightly more liberal than those applied to British naval seamen; and during the four days since the flotilla's arrival all of their crews have had a day ashore. There have been no unpleasant incidents of friction between American and British seamen, although it was to be, and I fear is still to be anticipated; as there is some slight English jealousy of the American Navy and of the popular inference here that its presence was necessary to come to the aid of the British naval vessels.

The vessels are to-day taking up the duties for which they came, and six destroyers are scheduled to leave Queenstown early this afternoon. It is my understanding that their ordinary patrol duty will mean six days at sea and two in harbor. The *Wadsworth* and *McDougal* will repair to Castletown Berehaven for their first two days ashore on the 12th instant; the *Conyngham* and *Davis* will reach Castletown on the 14th instant; and the *Wainwright* and *Porter* on the 16th instant. After their second period at sea these ships will return to Queenstown for two days each.

The arrival of the six destroyers transpired at a time when the Consulate was overwhelmed with submarine cases, and five such cases have developed during the past four days. One of these cases

I have thrown into the hands of the American Consul at Liverpool, and the affidavit in one case was prepared by Mr. Heraty and sworn to before me. The other three cases have very kindly been handled by Vice Consul Sherman; and I am confident that the Department will be gratified at the manner in which they have been treated. The paramount matter seemed to be attention to the various duties incident upon the arrival of the destroyers, as behind each of the ceremonial visits were substantial suggestions and consultations with regard to the practical conduct of the ships' affairs while at this base.

I have [etc.] WESLEY FROST

File No. 763.72/5269b

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *May 28, 1917, 3 p. m.*

4889. I am telegraphing you the text of a communication which our Ambassador at Petrograd has been instructed to deliver to the Provisional Government from the President. It is expected that this communication will be made public in Russia and in this country. It is Mr. Balfour's view that it should be given publicity in Great Britain. I will telegraph you as soon as you may hand the President's communication to the press. Until I do so, please treat it as confidential.

The communication is as follows:

[Here follows the text of the communication from the President to the Russian Provisional Government.[1]]

LANSING

File No. 763.72/4978

The Minister in Belgium (Whitlock) to the Secretary of State

[Telegram]

HAVRE, *May 29, 1917, 6 p. m.*
[*Received May 29, 5.50 p. m.*]

69. Belgian mission, composed of Baron Moncheur, General Leclercq, Hector Carlier, Major Osterrieth, and Lieutenant Count Louis d'Ursel, sails for America June 3 from Cadiz.[2]

WHITLOCK

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[1] *Ante*, p. 71.

[2] This mission arrived June 16. See footnote 1, *ante*, p. 20.

File No. 763.72/4389

The Secretary of State to the Russian Chargé (Onou)

No. 214 WASHINGTON, *May 31, 1917.*

SIR: The Government of the United States has read with great satisfaction the proclamation issued by the Provisional Russian Government on March 27/April 9 of the present year,[1] a copy of which, by your Government's direction, you were so good as to enclose with your note of May 3.

The Government of the United States cannot fail to be gratified at the Provisional Government's statement that it cannot afford "the slightest ground for the deduction that the collapse of the old edifice means a lesser share taken by Russia in the common struggle," or to welcome the assurances given by the Provisional Government of its intention faithfully to fulfill the engagements made to the Allies. On its part the Government of the United States has entertained no doubt that the Provisional Russian Government will continue to give its full aid and support in prosecuting the war against autocracy to a successful conclusion, which alone can insure a lasting peace and the full recognition of the rights of man throughout the world, to which cause the United States has dedicated its might and resources.

Accept [etc.] ROBERT LANSING

File No. 763.72111/5030

The Secretary of State to the Greek Chargé (Vouros)

No. 132 WASHINGTON, *June 1, 1917.*

SIR: I have the honor to acknowledge receipt of your note of the 15th ultimo[2] in which you embody the text of a communication dated May 11, from His Excellency Mr. Zaimis, President of the Council of Ministers, and Minister of Foreign Affairs of Greece, sent to you by cable with instructions to deliver to me. In this communication His Excellency explains the conditions which influence the attitude of the Hellenic Government with respect to the present war.

I did not fail to comply with Mr. Zaimis's request to bring his communication to the attention of the President, who desires me to inform you that the Government of the United States, appreciating the courtesy of the communication, has taken due note of the statements therein made.

Accept [etc.] ROBERT LANSING

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[1] *Ante*, p. 53.
[2] *Ante*, p. 63.

File No. 763.72119/628a

The Secretary of State to the Diplomatic Representatives in European Countries

[Circular telegram]

WASHINGTON, *June 1, 1917.*

Circular 1. Give publicity. Repeat consuls.

Georg Bernhard, director *Vossische Zeitung*, in article published a few days ago says that it is the desire of this country to see Russia emerge weakened from the war. He adds that he discussed peace aims in detail with Mr. Gerard, former Ambassador at Berlin, who told him repeatedly that "the American President had the greatest interest in the restoration of Belgium but that German annexations in the east would meet with no opposition in the United States." After reading the article Mr. Gerard said for publication: "I never said such a thing in my life to Georg Bernhard or to any one else. It is an absurd thing. Bernhard says that he discussed peace aims in detail. He and the other Germans never would state their peace aims. His whole statement is absolutely false. Deny it as strongly as you can."

LANSING

File No. 863.00/56

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *June 1, 1917.*
[*Received 9.50 p. m.*]

987. The Austrian Parliament convened May 31 for first time since outbreak of hostilities. In opening speech Emperor assured unalterable intention to exercise sovereign powers in truly constitutional spirit and to grant his subjects to fullest extent that participation in formation of national will provided for by Constitution. He further stated:

Remembering my obligation to take the constitutional oath and holding fast to my intention, already announced immediately after assumption of my duties, to discharge this obligation faithfully, I must at the same time bear in mind the article of the Constitution which places exclusively in my hands the decision at the great moment of peace conclusion.

He stated that Central powers have already expressed readiness for peace in unequivocal terms and emphasized present willingness to make peace with any nation that will give up intention threaten honour and existence of these powers.

STOVALL

File No. 763.72/5037

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 1, 1917, 3 p. m.*
[*Received 9.50 p. m.*]

6326. Sims to Navy Department:

Total losses Allied and neutral for week ending 27 May 117,454 tons. Reports indicate that during week an average of 12 large submarines had been operating, 6 probably in enemy main area of operations to westward of Ireland. Considerable activity in Mediterranean and renewal of activity in Bay of Biscay. On May 29 evidence indicated increased submarine pressure in English Channel and Irish Sea approach. Mine laying by submarines which has shown temporary lull has recommenced, principal areas affected between Dover and Cromer. Daily average of mines destroyed in last three months, 17. Twenty-four encounters with enemy submarines during past week: 3 by destroyers, 1 by submarine, 6 by special service ships, 5 by merchant ships, 6 by auxiliary patrol craft, 2 by sea plane, one by French submarine. With increase of available antisubmarine craft enemy is being forced to attack by torpedo instead of gun fire and this results in shorter cruises and more uncertain dates of return to bases and difficulty in maintaining definite prearranged programs. Hence the Admiralty expect from now on alternating periods of greater and lesser activity. Admiralty desires to report officially that United States destroyer force working on Atlantic approaches are rendering most efficient and valuable service. Sims.

PAGE

File No. 763.72/5004

The Secretary of State to the Russian Chargé (Onou)

No. 215 WASHINGTON, *June 2, 1917.*

SIR: Referring to your note No. 300, of April 21, 1917,[1] transmitting a communication from your Government relative to the question of the naval defense of the Arctic coast of Russia, I now have the honor to state, for the confidential information of the Russian Government, that this Department is in receipt of a letter from the Secretary of the Navy, dated May 31, 1917, stating that it has been decided, for the present, to employ all of the United States forces concentrated in one area, and that this will serve to release British forces which can be devoted to the protection of the Russian Arctic route.

Accept [etc.] ROBERT LANSING

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[1] *Ante*, p. 32.

File No. 763.72/5066

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 2, 1917, 3 p. m.*
[*Received June 2, 1.40 p. m.*]

6339. Professor Ames requests transmission of following to Howard E. Coffin:

I have conferred with General Henderson and Sir William Weir. America's greatest service now would be to send to Europe immense number of skilled mechanics under military discipline. Labor complications in England and construction program make it absolutely necessary to send over commission of three with power to make final arrangements with this and French Government. Weir says three hours' talk with you would be sufficient.

PAGE

File No. 763.72/5141

The Consul at Liverpool (Washington) to the Secretary of State

No. 898 LIVERPOOL, *May 19, 1917.*
[*Received June 4.*]

SIR: I have the honor to report the arrival in Liverpool on the 18th instant by the Cunard steamship *Orduna* of Base Hospital No. 4, United States Army (Lakeside–Cleveland, Ohio, unit), in command of Maj. Harry Gilchrist, Medical Corps, U. S. A., and as this was the first arrival in England of a unit of the Regular Army of the United States, General Edwards, commanding the Mersey defences, informed me that he would board the steamer on its arrival to officially welcome them, and requested me to accompany him, which invitation I accepted, explaining, however, that as the official visit was timed for 9 a. m. and the vessel was to arrive at 7.30 a. m. a vice consul from this office would meet the ship at the moment of her arrival to informally place the services of the Consulate at the disposition of the officer in command. General Edwards boarded the *Orduna* and reviewed the command, making a brief address of welcome. Colonel Bradley, U. S. A., attached to the American Embassy, London, was also present. In the evening General Edwards, under the sanction of the Secretary of State for War, gave a dinner for Major Gilchrist and the twenty-one medical officers, Reserve Corps, U. S. A., who accompanied him, at which were present a number of British military officers. I may mention that the officer in charge of the arrangements during the recent visit of the King to Liverpool informed me that he had been directed to inform the King

should this command arrive during the visit, and that the King had on leaving expressed his great regret that the unit had not reached Liverpool during the time of his visit.

This despatch is transmitted in duplicate.

I have [etc.] HORACE LEE WASHINGTON

File No. 763.72/5074

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 3, 1917, 4 p. m.*
[*Received June 4, 1 p. m.*]

345. British Minister informs me British forces are to be withdrawn from Macedonia owing to difficulty of provisioning by sea. This will probably mean evacuation Monastir territory. Other reasons also suspected, not disclosed, possibly arrangements with Bulgarians. DROPPERS

File No. 763.72/5150

The Chargé in Japan (Wheeler) to the Secretary of State

[Telegram]

TOKYO, *June 6, 1917, 1 p. m.*
[*Received June 6, 8.40 a. m.*]

Roumanian mission to the United States dispatched, the Chargé d'Affaires at Jassy states, with the approval of the Roumanian Government, and whose object is to organize those of the Roumanian race in the United States for active aid to the latter's side in the war, sailed to-day from Yokohama by the *Tenyo Maru* due at San Francisco 23d. It consists of Reverend Brothers Lucaciu and Jean Mota and Lieut. Basile Stoica of the Roumanian Army. It requests customs courtesies and asks that Reverend Brother Lucaciu, Roumanian Church of Trenton, New Jersey, be asked to notify in advance editors of Roumanian newspapers and presidents of Roumanian societies that on its arrival they will be invited to a conference with a view to putting into effect the national plans with which it is charged.[1] WHEELER

File No. 763.72/5163a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *June 6, 1917, 6 p. m.*

4942. Department is informed on authority not in any way connected with British Embassy that British Government is con-

[1] In regard to this mission, see telegram No. 38, July 2, to the Chargé in Rumania and his reply, No. 95, July 11, *post*, pp. 114 and 138, respectively.

templating sending Lord Northcliffe on special mission to this country. Department feels that nothing can be gained by sending another commission or a commissioner. Impression made by Mr. Balfour was so favorable it would seem better to let matters stand as they are rather than send any one at this time. Discreetly investigate and report as soon as possible.

LANSING

File No. 763.72/5197

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 7, 1917, 8 p. m.*
[*Received June 8, 1.15 a. m.*]

6391. Your 4942, June 6, 6 p. m. Northcliffe is sent on a purely commercial errand to supervise the purchasing agents of the British Government in the United States. He has no diplomatic errand or standing nor is he a "commissioner or commissioner general" nor do his duties have any reference to what Mr. Balfour did.

He knows the United States better than any Englishman except Bryce and he will have no official relations with our Government different from the British commercial agents now there.

PAGE

File No. 763.72/5178

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *June 6, 1917, 5 p. m.*
[*Received June 7, 3 a. m.*]

732. *Kölnische Zeitung*, June 4, says:

Concerning the prospects of sending American assistance to France, Captain Meyer has the following to say in the *St. Galler Tagblatt* of May 31:

Assuming that America will have on October 1 an army of half a million men fully trained and ready to be transported it will be necessary to have a half-million tons of ships if one wishes to transport an army corps at a time. For two army corps one million. So much tonnage will not be available then for by that time there will have been sunk at least two or two and a half million tons more. Even allowing for the new vessels being built and the putting into service of the seized German ships it will take six or seven months to transport a half-million American troops to Europe. During the entire winter a million tons will be withdrawn from regular shipping service for this purpose. After that it will require a half-million tons to maintain the troops transported. Here is the entire question of ship tonnage in all its difficulty.

The above calculation shows that the assumption that it is possible for America to enter the war with one or two million men is pure hallucination.

EGAN

File No. 763.72119/632

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *June 7, 1917.*
[Received 1.45 p. m.]

961. Department's circular 2d [*1st*]. In *Vossische Zeitung*, 6th, Georg Bernhard referring to statement Gerard made public by this Legation says:

I can readily understand that my statement is very embarrassing to Mr. Gerard but he can not dispose of it by simple denial. It is fact that he repeatedly made statements identical with what I wrote in article 24th. My interviews with Gerard were always very extended and often lasted several hours. I discussed with him as well as with Penfield when I was in Vienna the possibilities of mediation by Wilson. The gentlemen knew I was quite opposed to such mediation and naturally it was Gerard's object to make it clear to me how advantageous such mediation would be to us. In these conversations it became quite clear to me that America's interests were wholly identical with England's and that President Wilson was trying to arrange peace favorable to England if only for the sake of their financial consolidation. It was then only natural to proclaim America's agreement to German land acquisition in the east in order induce Germany to renounce all indemnity in land or money in west. This was always the pith of Gerard's remarks which revealed complete lack of interest in Russia's fate. I was not for a moment in doubt that Gerard felt himself completely in agreement with President on this point. Russia was to be sacrificed by England as permanent hatred between Germany and Russia was believed valuable political asset.

LANGHORNE

File No. 763.72/5194

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 7, 1917, 2 p. m.*
[Received June 8, 7 a. m.]

347. England, France, Russia having reached an agreement in regard to Greek affairs French Senator Jonnart proceeding Salonica then Athens as special emissary and exponent of joint policy of three powers.

DROPPERS

File No. 763.72119/634

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *undated.*

[*Received June 8, 1917, 1.05 p. m.*]

The President of the Council speaking before the Senate yesterday referred to the Socialist meeting at Stockholm and the French war aims; he said in part that the German Socialists had been from the very beginning save in rare exceptions the accomplices of the crimes committed against humanity and civilization and had approved at least by their silence all the atrocities committed by the Germans, that it would be a moral impossibility for French citizens as long as French soil remains violated to take part in discussions with such enemies, that the Government seeing the danger of these meetings realizes that peace could not be gained thereby. He also said that peace could only come with victory and that the danger of these meetings was in the illusion they might create of an early peace—

At no time should even the suspicion of such an illusion be allowed to form in France. France has need of all her forces, especially her moral forces which are the pledge of victory; on the other hand it must not be believed that the Governments are allowing the political direction of the war to slip out of their hands, the Government alone which represents national authority can exercise this right. We must speak plainly, we have wished to thrust away all the snares contained in the seductive formulas imported from outside into Petrograd. The origin of these formulas is only too clear. No annexions—that cannot mean that we shall not claim Alsace-Lorraine which has not ceased to be French at heart since the abominable actions which violated justice and right in 1871. No Frenchman would dare suggest that we shall not continue the war until these provinces return to the mother country. No indemnity—were it a question of humiliating or oppressing the vanquished we would not exact anything, but there are damages to be repaired; no French Government could relinquish such reparation after the unprecedented devastation suffered by our territory. We are in accord with the lofty and clear conscience of President Wilson. In the eyes of the United States the restitution of Alsace-Lorraine will not be a conquest, the reparation of damages will not be a war indemnity. We are sustained by the moral force and the conscience of the whole world, we must also have guarantees which will preserve our children from the recurrence of such horrors. When the time comes we shall consider what these guarantees should be. The best would be the constitution of a Europe where every nation would belong to itself.

After a secret session the following resolution was carried by unanimous vote:

The Senate, taking note of the declarations of the President of the Council, convinced that a durable peace can result only from the victory of the Allied armies, affirms the will of France firm in its alliances, faithful to its ideal of independence and liberty for all peoples to pursue the war until the restitution of Alsace and Lorraine, the punishment of the crimes, the reparation of the damages, the obtaining of guarantees against an offensive return of German militarism, has confidence in order to obtain these results in the responsible Government which alone has the right to engage the country under the control of the Chambers and counting upon its energy to take all the measures of internal and external order necessary for the safety of the nation passes to the order of the day.

SHARP

File No. 763.72/5214

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 8, 1917, 7 p. m.*
[Received 12 p. m.]

6410. General Pershing and staff arrived in London this afternoon and were met at train by myself and by Secretary of State for War and other officials. PAGE

File No. 763.72119/639a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *June 9, 1917.*

1473. Department's attention has been called to reported statements of Bernhard in *Vossische Zeitung* that Mr. Gerard, formerly Ambassador to Germany, frequently discussed with him peace terms and political aims; that it was apparent from Mr. Gerard's remarks that the United States was entirely indifferent to Russia's interests and would offer no objection to annexation of Russian territory by Germany. This is the familiar German method of endeavoring to create suspicion and distrust between the Allies by the circulation of falsehood. Mr. Gerard brands Bernhard's statements as absolutely false and this Government is happy to believe that the friendship between this country and Russia rests upon such a secure foundation of mutual confidence that this and similar efforts will be fruitless. It is, of course, ridiculous to say that the American people could view with indifference any misfortune or dismemberment of Russia, which is regarded in this country as an ancient and sincere friend. LANSING

File No. 763.72/5194

The Secretary of State to the Minister in Greece (Droppers)

[Telegram]

WASHINGTON, *June 9, 1917, 5 p. m.*

294. Your 347, June 7, 2 p. m. Please notify Department details agreement between England, France, Russia, relative Greek affairs. Inform Department more frequently and more fully concerning conditions in Greece. LANSING

File No. 868.00/112

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 9, 1917, 10 p. m.*
[*Received June 10, 11.15 a. m.*]

348. Colleague informs Entente's plan contemplates removal of King, one member of Royal Family substituted as regent with French High Commissioner in control, French forces to occupy Thessaly. DROPPERS

File No. 763.72119/637

The British Embassy to the Department of State

MEMORANDUM

His Majesty's Minister to Switzerland reports that there has lately arrived in that country a certain Suraya Bay Vlora who has been with the Prince of Wied at Vienna. This man, who was formerly an Albanian official, states that Talaat Pasha when he was recently in Berlin informed the German Government that in view of the present military and economic conditions Turkey could no longer go on with the war and would have to conclude a separate peace. He was begged to hold out until the end of July when the results of the German submarine campaign would have convinced Turkey that England's power was broken and an honourable peace could be concluded by Germany.

WASHINGTON, *June 10, 1917.*
[*Received June 12.*]

File No. 868.00/115

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 11, 1917, 6 p. m.*
[*Received June 12, 4.05 p. m.*]

350. Specific information requested your June 9, 5 p. m., 294, contained in my 348, June 9, 10 p. m., sent as soon as basis of agreement which had been kept secret till last moment had been confided to me. Until arrival of High Commissioner announced, situation apparently drifting no one seemed to know exactly whither. Situation reflected rather by impressions such as I have given in various despatches than by actual happenings worthy of telegraphic notice.

Zaimis government now [*sic*], its efforts failed to restore Greco-Entente confidence as it was felt that pro-German influences outside of Cabinet were still present and potentially powerful. As is well known support of Greek King amongst Entente in the past proceeded mainly from Russian autocracy and Italian ambitions, the first is now eliminated: Italians, while openly criticising French and Venizelos, continue occupation of Epirus having restored Greek territory and now hold Janina announcing that they will proceed to Gulf of Arta. Formerly Entente diplomacy suffered from divided councils and cross-purposes of military and diplomatists. Appointment of Jonnart as High Commissioner assures unity of control. Italy excepted. High Commissioner has arrived and launched ultimatum that King must abdicate. Ultimatum expires to-morrow, 11 a. m. Italian Minister openly opposed to this policy. I regret it believing reconciliation between King and Venizelos with the latter in control would have been feasible once King realized that was his last chance. I have been asked by person close to King to request President Wilson to intervene on behalf of such a reconciliation which would be advantageous to Entente interests.

Later. Informed at meeting of Diplomatic Corps at British Legation that Prime Minister notified British Minister he had recommended King to accept ultimatum. Prime Minister considered that if abdication applied to period of war only it would be accepted unhesitatingly. In case of trouble French naval authorities prepared for stern measures and offer asylum foreigners. I am remaining at Athens at present.

Later. Informed by person close to Royal Family that King leaves to-night, his second son Alexander remaining with title of regent.

DROPPERS

File No. 763.72/5276

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 11, 1917, 3 p. m.*
[*Received June 12, 5.50 p. m.*]

6436. For Howard Coffin, from Ames:

General Smuts on his own initiative requested me to transmit following message:

The decision of this war lies in the air and complete victory can only be won by ten or more thousand airplanes with which enemy aircraft can be annihilated. This achievement would be worthy of America, is a contribution which she alone is capable of making, and would enable her to dictate peace. Irresistibly delighted with your cablegram.

PAGE

File No. 868.00/116

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 12, 1917, 11 a. m.*
[*Received 12 p. m.*]

352. King has abdicated. Ultimatum gives him 48 hours to go. His second son, Alexander, to be proclaimed King. Crown Prince who was abler but entertained Germanophile opinions has renounced rights of succession to the throne. Order prevailed during night but confidence not yet restored. Ex-Monarch going to England, he would have preferred Switzerland. DROPPERS

File No. 763.72/5285

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *June 12, 1917, 10 a. m.*
[*Received June 13, 4 a. m.*]

749. Captain Persius in the *Berliner Tageblatt*, June 9, in a long leading article discusses the importance of America's participation in the war. He says that opinions on this subject in Germany differ greatly. Thinks it is much better to overrate than to underrate and compares the case with the entry of Great Britain three years ago. Quotes an article written in December, 1914, by a high German

officer in which it was said that military conscription in England could have no special influence on the outcome of the war and that the organization by England of an army of a million men lay in the far distant future. Remarks he would think the author would feel remorse.

However, it is useful to keep such utterances before the eyes in order that we may learn in the future. We will of course hope that America's war preparations will have no influence on the course of this great contest because before the Americans join the hostilities the people of Europe will have extended the hand of peace to one another.

Also discusses at length the naval and transport question in the light of what America can do. Quotes an English paper as saying that because of the probability of German submarines appearing shortly in American waters this will surely prevent the United States from sending war boats to England. Says Germany has proved the possibility of doing this by doing it. He then takes up the amount of tonnage required to move the American Army and remarks that the 600,000 and odd gross tons of German vessels in American harbors are enough to transport the proposed first 125,000 men. Urges against underestimating of what American shipbuilders can accomplish. He says American energy and elasticity make possible the impossible.

EGAN

File No. 763.72/5283

The Chargé in Japan (Wheeler) to the Secretary of State

[Telegram]

TOKYO, *June 13, 1917, 3 p. m.*
[*Received June 13, 9.20 a. m.*]

This morning the members of the Japanese extraordinary mission to the United States were appointed. The principals beside Viscount Ishii, who will have the rank of ambassador extraordinary and plenipotentiary, are Vice Admiral Takeshita, formerly naval attaché at Washington, who will represent the Admiralty; Major General Sugano, representing the Army, and Nagai, private secretary to the Minister for Foreign Affairs, formerly Consul General at San Francisco and one time third secretary at Washington. The present intention of the mission is to sail about July 1.

WHEELER

File No. 868.00/117

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 12, 1917, 6 p. m.*
[*Received June 13, 9.20 a. m.*]

354. King still in Athens owing to lack of swift British cruiser, his suite consisting of forty persons. Dense crowd around Palace asserting that they will not let King depart. Alexander took oath at 1 p. m. to-day. Italian Minister visited Jonnart stating that past friction between Italy and Allies must be forgotten and he will cooperate with Jonnart to end confusion in Greece. King and suite have just left Palace for Piraeus. French soldiers approaching Athens. DROPPERS

File No. 763.72/5316b

The Secretary of State to the Ambassador in Great Britain (Page)[1]

[Telegram]

WASHINGTON, *June 13, 1917, 6 p. m.*

4992. For your information, Maj. Raynal C. Bolling, of the United States Army Air Service, a member of the United States Aircraft Production Board, is ordered to proceed to England, France, and Italy to arrange with the proper representatives of the Allied air services a joint program for construction of airplanes and engines and all other industrial aspects of the aeronautical situation. He has full authority to consider and negotiate with the representatives of the Allied air services regarding a joint program for the construction of airplanes and engines and other means by which the Allied nations may render mutual assistance to each other in any industrial aspects of the aeronautical situation, and to report thereupon to the Secretary of War for approval on behalf of the United States of America. LANSING

File No. 868.00/118

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 13, 1917, 5 p. m.*
[*Received June 14, 1.30 p. m.*]

355. Informed at British Legation King Alexander will receive full recognition Entente powers. Department should forward new

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[1] The same telegram was sent, June 13, to the Ambassador in France (No. 2348) and the Ambassador in Italy (No. 834).

credentials made out to him. Destination ex-King still uncertain, probably Switzerland. Jonnart ultimatum indicated early raising blockade in case of compliance and unification of Greek state which so far signifies early representation in the cabinet of Venizelist Party.

Some say that ejection Constantine due primarily shortening Macedonian front, foreshadowed my June 3, 344 [*345*],[1] as it was feared if Allies withdrew from Monastir Royalist Greece could communicate with Central powers. Greece also a convenient avenue of retreat for surplus troops from Macedonia, and Thessalian harvest important for army. I state this theory with all reserve. British Minister says he has no information to that effect. Another report says abdication Constantine essential to stability of Ribot cabinet in France. Some Allied control officers believe Royal Greek Government reasonably fulfilled letter of ultimatum of December 31[2] and that though pro-German at heart it constituted no real danger to Allied armies.

Anglo-French in Thessaly approaching Larissa. Isthmus of Corinth occupied Allies. Contingent landing Piraeus includes a few British and Russian as well as French of whom exact number not known, but several thousand. French Minister has left, British Minister taking leave of absence soon, perhaps Russian Minister also; Jonnart in charge.

DROPPERS

File No. 763.72/528a

The Secretary of State to the Chargé in Japan (Wheeler)

[Telegram]

WASHINGTON, *June 14, 1917, 5 p. m.*

Your June 13, 3 p. m. We will be very glad to welcome the members of the Japanese extraordinary mission to the United States and to extend them every hospitality and courtesy while in this country. The very warm and cordial relations which have existed between the Government of Japan and that of the United States since the days of Commodore Perry are certain to be developed and made more binding through the visit of the distinguished persons who compose the Japanese extraordinary mission.

You will please advise the Department of the full membership of the commission giving names and titles in the order of their rank.

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[1] *Ante*, p. 85.

[2] See *Foreign Relations*, 1916, Supplement, p. 127.

Also give names of every person accompanying the mission with full name, title, and capacity in which he comes. Please keep Department advised.[1]

LANSING

The President's Flag Day Address, June 14—The Submarine Situation: American Naval Policy—The Status of Greece—Refusal of the United States to Participate in the Inter-Allied Conference on Balkan Affairs—The Morgenthau-Frankfurter Mission to Europe—The Struggle over Electoral Reform and Peace Terms in Germany

File No. 763.72/5382a

The Secretary of State to the Ambassadors and Ministers in All Countries except Persia, Siam, Liberia, Egypt, Venezuela, Haiti, and the Dominican Republic

[Circular telegram]

WASHINGTON, *June 14, 1917.*

Following for publication:

President Wilson to-day on celebration of Flag Day, day set aside for patriotic veneration of flag, delivered following:

We meet to celebrate Flag Day because this flag which we honour and under which we serve is the emblem of our unity, our power, our thought and purpose as a nation. It has no other character than that which we give it from generation to generation. The choices are ours. It floats in majestic silence above the hosts that execute those choices, whether in peace or in war. And yet, though silent, it speaks to us—speaks to us of the past, of the men and women who went before us and of the records they wrote upon it. We celebrate the day of its birth; and from its birth until now it has witnessed a great history, has floated on high the symbol of great events, of a great plan of life worked out by a great people. We are about to carry it into battle, to lift it where it will draw the fire of our enemies. We are about to bid thousands, hundreds of thousands, it may be millions, of our men, the young, the strong, the capable men of the nation, to go forth and die beneath it on fields of blood far away—for what? For some unaccustomed thing? For something for which it has never sought the fire before? American armies were never before sent across the seas. Why are they sent now? For some new purpose, for which this great flag has never been carried before, or for some old, familiar, heroic purpose for which it has seen men, its own men, die on every battlefield upon which Americans have borne arms since the Revolution?

These are questions which must be answered. We are Americans. We in our turn serve America, and can serve her with no private purpose. We must use her flag as she has always used it. We are accountable at the bar of history and must plead in utter frankness what purpose it is we seek to serve.

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[1] See telegrams from the Chargé, June 19 and 27, *post*, pp. 103 and 110, respectively.

It is plain enough how we were forced into the war. The extraordinary insults and aggressions of the Imperial German Government left us no self-respecting choice but to take up arms in defense of our rights as a free people and of our honour as a sovereign government. The military masters of Germany denied us the right to be neutral. They filled our unsuspecting communities with vicious spies and conspirators and sought to corrupt the opinion of our people in their own behalf. When they found that they could not do that, their agents diligently spread sedition amongst us and sought to draw our own citizens from their allegiance—and some of those agents were men connected with the official Embassy of the German Government itself here in our own capital. They sought by violence to destroy our industries and arrest our commerce. They tried to incite Mexico to take up arms against us and to draw Japan into a hostile alliance with her—and that, not by indirection, but by direct suggestion from the Foreign Office in Berlin. They impudently denied us the use of the high seas and repeatedly executed their threat that they would send to their death any of our people who ventured to approach the coasts of Europe. And many of our own people were corrupted. Men began to look upon their own neighbours with suspicion and to wonder in their hot resentment and surprise whether there was any community in which hostile intrigue did not lurk. What great nation in such circumstances would not have taken up arms? Much as we had desired peace, it was denied us, and not of our own choice. This flag under which we serve would have been dishonoured had we withheld our hand.

But that is only part of the story. We know now as clearly as we knew before we were ourselves engaged that we are not the enemies of the German people and that they are not our enemies. They did not originate or desire this hideous war or wish that we should be drawn into it; and we are vaguely conscious that we are fighting their cause, as they will some day see it, as well as our own. They are themselves in the grip of the same sinister power that has now at last stretched its ugly talons out and drawn blood from us. The whole world is at war because the whole world is in the grip of that power and is trying out the great battle which shall determine whether it is to be brought under its mastery or fling itself free.

The war was begun by the military masters of Germany, who proved to be also the masters of Austria-Hungary. These men have never regarded nations as peoples, men, women, and children of like blood and frame as themselves, for whom governments existed and in whom governments had their life. They have regarded them merely as serviceable organizations which they could by force or intrigue bend or corrupt to their own purpose. They have regarded the smaller states, in particular, and the peoples who could be overwhelmed by force, as their natural tools and instruments of domination. Their purpose has long been avowed. The statesmen of other nations, to whom that purpose was incredible, paid little attention; regarded what German professors expounded in their classrooms and German writers set forth to the world as the goal of German policy as rather the dream of minds detached from practical affairs, as preposterous private conceptions of German destiny,

than as the actual plans of responsible rulers; but the rulers of Germany themselves knew all the while what concrete plans, what well-advanced intrigues lay back of what the professors and the writers were saying, and were glad to go forward unmolested, filling the thrones of Balkan states with German princes, putting German officers at the service of Turkey to drill her armies and make interest with her Government, developing plans of sedition and rebellion in India and Egypt, setting their fires in Persia. The demands made by Austria upon Servia were a mere single step in a plan which compassed Europe and Asia, from Berlin to Bagdad. They hoped those demands might not arouse Europe, but they meant to press them whether they did or not, for they thought themselves ready for the final issue of arms.

Their plan was to throw a broad belt of German military power and political control across the very centre of Europe and beyond the Mediterranean into the heart of Asia; and Austria-Hungary was to be as much their tool and pawn as Servia or Bulgaria or Turkey or the ponderous states of the East. Austria-Hungary, indeed, was to become part of the central German Empire, absorbed and dominated by the same forces and influences that had originally cemented the German states themselves. The dream had its heart at Berlin. It could have had a heart nowhere else! It rejected the idea of solidarity of race entirely. The choice of peoples played no part in it at all. It contemplated binding together racial and political units which could be kept together only by force—Czechs, Magyars, Croats, Serbs, Roumanians, Turks, Armenians, the proud states of Bohemia and Hungary, the stout little commonwealths of the Balkans, the indomitable Turks, the subtile peoples of the East. These peoples did not wish to be united. They ardently desired to direct their own affairs, would be satisfied only by undisputed independence. They could be kept quiet only by the presence or the constant threat of armed men. They would live under a common power only by sheer compulsion and await the day of revolution. But the German military statesmen had reckoned with all that and were ready to deal with it in their own way.

And they have actually carried the greater part of that amazing plan into execution! Look how things stand! Austria is at their mercy. It has acted, not upon its own initiative or upon the choice of its own people, but at Berlin's dictation ever since the war began. Its people now desire peace, but cannot have it until leave is granted from Berlin. The so-called Central powers are in fact but a single power. Servia is at its mercy, should its hands be but for a moment freed. Bulgaria has consented to its will, and Roumania is overrun. The Turkish armies, which Germans trained, are serving Germany, certainly not themselves, and the guns of German warships lying in the harbour at Constantinople remind Turkish statesmen every day that they have no choice but to take their orders from Berlin. From Hamburg to the Persian Gulf the net is spread.

Is it not easy to understand the eagerness for peace that has been manifested from Berlin ever since the snare was set and sprung? Peace, peace, peace has been the talk of her Foreign Office for now a year and more: not peace upon her own initiative, but upon the

initiative of the nations over which she now deems herself to hold the advantage. A little of the talk has been public, but most of it has been private. Through all sorts of channels it has come to me, and in all sorts of guises, but never with the terms disclosed which the German Government would be willing to accept. That Government has other valuable pawns in its hands besides those I have mentioned. It still holds a valuable part of France, though with slowly relaxing grasp, and practically the whole of Belgium. Its armies press close upon Russia and overrun Poland at their will. It cannot go further; it dare not go back. It wishes to close its bargain before it is too late and it has little left to offer for the pound of flesh it will demand.

The military masters under whom Germany is bleeding see very clearly to what point Fate has brought them. If they fall back or are forced back an inch, their power both abroad and at home will fall to pieces like a house of cards. It is their power at home they are thinking about now more than their power abroad. It is that power which is trembling under their very feet; and deep fear has entered their hearts. They have but one chance to perpetuate their military power or even their controlling political influence. If they can secure peace now with the immense advantages still in their hands which they have up to this point apparently gained, they will have justified themselves before the German people: they will have gained by force what they promised to gain by it: an immense expansion of German power, an immense enlargement of German industrial and commercial opportunities. Their prestige will be secure, and with their prestige their political power. If they fail, their people will thrust them aside; a government accountable to the people themselves will be set up in Germany as it has been in England, in the United States, in France, and in all the great countries of the modern time except Germany. If they succeed they are safe and Germany and the world are undone; if they fail Germany is saved and the world will be at peace. If they succeed, America will fall within the menace. We and all the rest of the world must remain armed, as they will remain, and must make ready for the next step in their aggression; if they fail, the world may unite for peace and Germany may be of the union.

Do you not now understand the new intrigue, the intrigue for peace, and why the masters of Germany do not hesitate to use any agency that promises to effect their purpose, the deceit of the nations? Their present particular aim is to deceive all those who throughout the world stand for the rights of peoples and the self-government of nations; for they see what immense strength the forces of justice and of liberalism are gathering out of this war. They are employing liberals in their enterprise. They are using men, in Germany and without, as their spokesmen whom they have hitherto despised and oppressed, using them for their own destruction—socialists, the leaders of labour, the thinkers they have hitherto sought to silence. Let them once succeed and these men, now their tools, will be ground to powder beneath the weight of the great military empire they will have set up; the revolutionists in Russia will be cut off from all succour or cooperation in western

Europe and a counter-revolution fostered and supported; Germany herself will lose her chance of freedom; and all Europe will arm for the next, the final struggle.

The sinister intrigue is being no less actively conducted in this country than in Russia and in every country in Europe to which the agents and dupes of the Imperial German Government can get access. That Government has many spokesmen here, in places high and low. They have learned discretion. They keep within the law. It is opinion they utter now, not sedition. They proclaim the liberal purposes of their masters; declare this a foreign war which can touch America with no danger to either her lands or her institutions; set England at the centre of the stage and talk of her ambition to assert economic dominion throughout the world; appeal to our ancient tradition of isolation in the politics of the nations; and seek to undermine the Government with false professions of loyalty to its principles.

But they will make no headway. The false betray themselves always in every accent. It is only friends and partisans of the German Government whom we have already identified who utter these thinly disguised disloyalties. The facts are patent to all the world, and nowhere are they more plainly seen than in the United States, where we are accustomed to deal with facts and not with sophistries; and the great fact that stands out above all the rest is that this is a peoples' war, a war for freedom and justice and self-government amongst all the nations of the world, a war to make the world safe for the peoples who live upon it and have made it their own, the German people themselves included; and that with us rests the choice to break through all these hypocrisies and patent cheats and masks of brute force and help set the world free, or else stand aside and let it be dominated a long age through by sheer weight of arms and the arbitrary choices of self-constituted masters, by the nation which can maintain the biggest armies and the most irresistible armaments—a power to which the world has afforded no parallel and in the face of which political freedom must wither and perish.

For us there is but one choice. We have made it. Woe be to the man or group of men that seeks to stand in our way in this day of high resolution when every principle we hold dearest is to be vindicated and made secure for the salvation of the nations! We are ready to plead at the bar of history, and our flag shall wear a new lustre. Once more we shall make good with our lives and fortunes the great faith to which we were born, and a new glory shall shine in the face of our people.

LANSING

File No. 763.72/5355

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *June 15, 1917, 3 p. m.*

5008. New England States have donated to the British Government several saw-mill units composed of experienced lumbermen

fully equipped to assist in supplying lumber needed for the Allied armies. These units are now assembled and ready to sail. The governors of the New England States have selected Mr. George S. Lewis as their representative to precede the units to England and discuss operating plans with the British Government prior to the arrival of the men. Mr. Lewis is sailing on the *St. Paul* June 16. You may render him every proper assistance.

POLK

File No. 763.72/5345

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *June 16, 1917, 4 p. m.*
[*Received 6.30 p. m.*]

Received word last night King wished see me at audience this morning. He expressed thanks for all kindness shown. Conversing after this informally he seemed in good spirits and confident of final success. I gathered chief need for Italy is supplies, especially coal. He mentioned that with more big guns and munitions success would come quicker and the crumbling of Austria-Hungary would mean Germany's failure. He mentioned impression here that submarine boats are being withdrawn from Mediterranean to prevent American troops reaching Europe.

NELSON PAGE

File No. 763.72/5352

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *June 14, 1917, 5 p. m.*
[*Received June 17, 11 p. m.*]

1394. It is reported from reliable sources that Great Britain sent one division of British destroyers to the White Sea to guard communications to Archangel, after the arrival of our detachment of destroyers sent to England. If we should send a division of destroyers direct to Russia's aid moral effect with the Russian people would be invaluable as they would be greatly impressed by this visible assistance.

FRANCIS

File No. 868.001C76/11

The Greek Chargé (Vouros) to the Secretary of State

[Translation]

No. 1041 WASHINGTON, *June 5/18, 1917.*
[*Received June 19.*]

MR. SECRETARY OF STATE: Referring to my communication under date of June 14, No. 1033,[1] I have the honor to inform Your Excellency that Mr. Jonnart, bearing the title of High Commissioner of the Protecting Powers of Greece, who arrived at Keratsine Bay on June 10, delivered to His Excellency Mr. Zaimis, President of the Council of Ministers and Minister of Foreign Affairs of Greece, two notes announcing the occupation of the Corinth Canal and certain parts of Thessaly, to insure, as he said, an equitable distribution of the crop of that plain to all the Hellenes.

On June 11, Mr. Jonnart delivered to Mr. Zaimis the following ultimatum:

Mr. President: The protecting powers of Greece have decided to reconstitute the unity of the Kingdom without infringing upon the constitutional monarchic institutions they have guaranteed to Greece. His Majesty King Constantine having plainly violated of his own accord the Constitution of which France, England and Russia are guarantors, I have the honor to declare to Your Excellency that His Majesty the King has forfeited the confidence of the protecting powers and that the said powers consider themselves as relieved of their obligations toward him flowing from their right of protection, I am therefore commissioned, with a view to restoring constitutional verity, to demand the abdication of His Majesty King Constantine who will himself designate, in accord with the protecting powers, his successor from among his heirs. I am constrained to ask you to answer within twenty-four hours.

Be pleased to accept [etc.]

To that document there was appended a memorandum reading as follows:

The High Commissioner of the Protecting Powers of Greece has the honor to inform His Excellency the President of the Council of Ministers that His Royal Highness the Crown Prince of Greece not offering the guarantees that France, England and Russia are at this time constrained to require of the contitutional sovereign of the Hellenes, they could only agree to the designation of another to be his successor. The High Commissioner is further empowered to declare, in the name of the protecting powers of Greece, that His Majesty King Constantine after abdicating and leaving Greece will be put in possession of a personal life income amounting to one half million of francs. The High Commissioner adds that no reprisals will be exercised and the proclamation of a general amnesty will be immedi-

[1] *Foreign Relations*, 1917, p. 749.

ately considered, but he must inform the President of the Council of the decision of the protecting powers not to tolerate in Athens or any other city of the Kingdom any disorder likely to endanger the lives and closely bound interests of their nationals and of the Greek people. Should the hope that order will be strictly maintained through the prudence of the Government and Hellenes of all parties be disappointed, the High Commissioner is empowered to use the forces at his disposal in energetically intervening in the name of the protecting powers for an immediate restoration of order.

Mr. Zaimis addressed to Mr. Jonnart the following answer as a result of a Crown Council to which His Majesty the King announced his decision to abdicate and designated his younger son Alexander as his successor:

France, England and Russia having requested by a note of this day's date the abdication of His Majesty King Constantine and designation of his successor, I have the honor to bring to Your Excellency's knowledge that His Majesty the King, solicitous as ever of nothing but the interests of Greece, has decided to leave the country with the Crown Prince and to designate his son Alexander for his successor.

Be pleased to accept [etc.]

On June 12, at 5 p. m., carrying with him the unanimous wishes of his people, the Sovereign left the Capital and was expected to leave the next day the territory of the Kingdom on board the yacht *Sphactiria* on his way to Switzerland through Italy.

In bringing the foregoing to Your Excellency's knowledge, I take this opportunity [etc.]

A. Vouros

File No. 763.72/5377

The Chargé in Japan (Wheeler) to the Secretary of State

[Telegram]

Tokyo, *June 19, 1917, 1 p. m.*
[*Received June 19, 9.25 a. m.*]

Your telegram of June 14, 5 p. m.[1] The Japanese extraordinary commission to the United States consists of Viscount Kikujiro Ishii, ambassador extraordinary and plenipotentiary, with the following suite: Vice Admiral Isamu Takeshita of the Imperial Navy; Maj. Gen. Hisaichi Sugano of the Imperial Army; Mr. Matsuzo Nagai, secretary of the Department of Foreign Affairs; Commander Masa Takaando of the Imperial Navy; Maj. Seiji Tanikawa of the Imperial Army; Vice Consul Tadanao Imai. The above names are given in order of rank and precedence. The last named is now

[1] *Ante*, p. 95.

stationed at Honolulu and will join the party at San Francisco. Mr. Tashiro Owaku without rank is attached to the mission as chancellor. In accordance with a suggestion from the Japanese Ambassador at Washington that a later arrival would likely be better to conform with the President's engagements it has been decided to postpone departure until about the middle of July.[1]

WHEELER

File No. 763.72/5381

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *June 18, 1917, 2 p. m.*
[*Received June 19, 9.25 a. m.*]

767. The following is the text of the reply to President Wilson's note to Russia printed in the *Norddeutsche Allgemeine Zeitung*, June 16. This reply has been quoted quite a little by the German press and may be considered as the reply of the German Government.

Reuter's agency publishes a communication from President Wilson to the Russian Government for the purpose of establishing the aims which the United States had in view on their entry into the war. President Wilson feels the need of such a statement because he says these aims have lately been much beclouded and misunderstood. His war aims could not very well escape becoming thus obscure due to the changes thru which his attitude has passed.

When President Wilson takes the stand that he is entering the war for the purpose of freeing the world from the attacks of an autocratic power, that indicates a complete abandoning of his previous statements. According to his own previous declarations his exclusive reason for war was the endangering of American navigation in the blockaded waters resulting from the unrestricted submarine war. Undoubtedly this reason was not such as would hold forever inasmuch as America has given over to England its own free will. Now that it is necessary to win the good wishes of the new liberal Russia this reason is entirely insufficient. We have therefore that fine saying—America has begun the war to set aside German autocracy. This saying contradicts the facts and is all the more surprising in the mouth of President Wilson considering that he at the time he declared war himself displayed an autocratic power which was scarcely exceeded by that exercised by the former Czar. He thereby let it be seen, as indeed he had often done on previous occasions, that his fight against us should also serve to introduce liberal institutions in Germany. It is time for President Wilson to give up worrying over Germany's internal affairs. He has quite enough to do in fighting the plutocracy in his own land as well as in attending to the cares of a social political nature relative to the American workmen. The President of the German Reichstag elected by democratic uni-

[1] The mission arrived at San Francisco, Aug. 13. See footnote 1, *ante*, p. 20.

versal suffrage told him just a short time ago that we reserved to ourselves the ordering of our own affairs and decline all interference.

President Wilson also occupies himself with the question of the causes of the war and here as well he makes statements hitherto not mentioned but which he now needs in order to kindle anew the desire in Russia for war. President Wilson has suddenly made the discovery that government after government in Germany has through its influence and without open capture of territory been able to weave a net of intrigue sufficiently strong to satisfy German plans for power and which shall extend from Berlin to Bagdad having as object nothing less than the overthrow of the peace and freedom of the world. We ask President Wilson where he got this knowledge. In the course of the past year he declared to us repeatedly that he wished to mediate for peace, that, however, he could not do so before his reelection was assured. Nevertheless even after this occurred he could come to no decision in the matter although we made it quite easy for him by our offer of peace of December 12, 1916.[1]

However let it be as he wills. So long as the interests of American navigation and England herself were not dangerously threatened President Wilson knew nothing of autocratic and intriguing Germany, whose power in the interests of the world's peace and freedom must be broken. Did he not declare in words, even if no actions followed, that he was ready to give the world peace and along with it wicked Germany as well?

Whence then came so suddenly to the President of the United States his knowledge of Germany's years of intrigues? The Triple Alliance treaties and their absolutely defensive character, are [they] not known to the world? And if President Wilson has especially emphasized the Berlin-Bagdad matter so do we place before him the suggestion that he inform himself regarding his English, Russian and French allies and their agreement with reference to the opening up of Asia Minor, which agreement we find on consultation with Turkey either had been made or was in the making when the war broke out.

Most especially however we would like to recommend to President Wilson that he at the same time look into the agreements of his allies in which the members of the Entente Cordiale assure to each other their respective war winnings. He will find that—Monsieur Briand has been forced to admit this recently in a secret session of the French House—France, and with France, England, has promised Constantinople to Russia and as a return Russia has promised to France not only Alsace-Lorraine but the left bank of the Rhine as well. He will further find that the Entente Cordiale has formulated a complete plan for the division of Asia Minor, the detailed settlement of which (though made behind Russia's back) is still causing difficulties. This is because the hunger for power exhibited by Italy has found just as much complaisance relative to promising her further annexation at the expense of Austria-Hungary as has Roumania. It would also be most interesting for the United States to learn what promises have been made to Bulgaria as price for her

[1] See *Foreign Relations*, 1916, Supplement, pp. 85 *et seq.*

entry into the war on the side of the Entente Cordiale, this to be paid for by the Servian allies.

End section 1.

EGAN

File No. 763.72/5407

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *June 19, 1917, 9 a. m.*
[*Received midnight.*]

768. Continuation of our 767, June 18, 2 p. m.

If President Wilson lays so much importance on having everyone in the world know exactly for what purposes America is conducting war then he must also insist on the publication of the war aims of his allies as found in their agreements. Not until then will the world be able to judge clearly of the peaceful and liberal aims of the Entente Cordiale. And then that house of cards consisting of an autocratic and intriguing Germany will fall and in its place there will be seen a trust of peoples which through intrigues of a territorial nature are continually pressing new nations into the world's bath of blood for the purpose of destroying the Central powers.

The new Russia has repeatedly declared that such war aims are not hers. Rather has she desired to coin the formula of a peace without annexation or indemnity. This formula furnishes no hindrance to peace between Russia and the Central powers inasmuch as these have never demanded annexation nor indemnity from Russia. The Central powers and their allies desire rather a free and reciprocal settlement with Russia whereby a situation is created that assures a peaceable and neighborly existence in perpetuity. We must believe that this declaration which has already been stated in all previous communications of the Central powers exceeds greatly both in clearness and decision the performance of President Wilson.

End second and last section.

EGAN

File No. 763.72/13317

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 20, 1917, 5 p. m.*
[*Received June 20, 5 p. m.*]

6503. Personal. Very confidential for the Secretary and the President:

I have hesitated to telegraph more about the submarine situation but the condition so increases in danger that in addition to Sims's reports to Navy Department I cannot refrain from sending the following facts. The British reports are incomplete and to a

degree misleading. They fail to report tonnage. Of course they do not include the other Allies' or neutral vessels. The British alone last week lost 194,000 tons. The destruction is thought to exceed merchant vessel building in all countries. Rate of destruction is therefore a cumulative net gain for the enemy. The British naval and military authorities while partially concealing rate of destruction from the public view the situation with utmost gravity. The only known method of reducing loss is to provide, if possible, enormous anti-submarine patrol far larger than any now in existence or in sight or hitherto thought of and thus force submarines from attacks on shipping to attacks on anti-submarine craft. Would it be possible for our Government to send over hundreds of armed seagoing tugs, yachts, and any kind of swift small ships to supplement the existing inadequate patrol? Unless some such help come from some quarter naval supplies and material for the British Army and Navy will soon fall below requirements and the present fighting efficiency be impaired. Certain kinds of such material, such as lubricating and fuel oils, will be exhausted before a serious food shortage occurs as time goes on. The need of safe transportation of our Army and its needs will greatly increase required shipping and even with great expected output of our shipyards the total tonnage afloat will constantly decrease. This critical situation demands the fullest and most prompt action possible. It seems to me to be the key to any possible early end of the war. It may well be that the issue of the war is itself involved unless such aid come. The fighting power of the Allies will inevitably be lowered within a few months and be very seriously impaired before we have an army to come and to be maintained in the face of constantly increasing dangers. The Germans are making such positive gains by submarines that they can afford to withdraw gradually in France and to hold on until the Allied fighting power is thus weakened. It is the most serious situation that has confronted the Allies since the battle of the Marne.

PAGE

File No. 763.72112/3830

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 20, 1917.*

[*Received June 21, 1 a. m.*]

362. French Admiral notifies me blockade referred to my telegram 196, December 8,[1] raised. Ships leaving Greece require authorization Allied authorities.

DROPPERS

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[1] *Foreign Relations*, 1916, Supplement, p. 82.

File No. 867.4016/342

The Secretary of State to the Consul at Alexandria (Garrels)

[Telegram]

WASHINGTON, *June 21, 1917, 4 p. m.*

For Philip:[1]

In an effort to ameliorate the Jewish conditions in Palestine the President has sent abroad former Ambassador Henry Morgenthau and Prof. Felix Frankfurter of the Harvard Law School. Mr. Morgenthau will reach Egypt in July, and has asked that you remain to consult with him. Department would be glad to have you assist Mr. Morgenthau in every way.

LANSING

File No. 763.72119/654

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 21, 1917, 6 p. m.*
[*Received June 21, 6 p. m.*]

6509. Confidential to Secretary and President:

The Prime Minister asked me to breakfast this morning to discuss the desirability of trying to induce Austria and especially Bulgaria to make separate peace, but his conclusion is that under present conditions any effort would be premature in this matter. Coming events in Russia play so large a part that it seems better to wait and see whether Russia will again show important military activity.

PAGE

File No. 763.72/5473

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 23, 1917, 1 p. m.*
[*Received 5.15 p. m.*]

6526. Mr. Balfour informs me that Germany is subjecting Norway to most humiliating treatment with evident purpose to drive her into war. The British Government is using its influence to restrain Norway from declaring war but has grave fear of early outbreak of hostilities. In the event of war the Allies will be asked to give Norway help. Great Britain is making naval and aircraft plans and thinks she can prevent permanent German landing of troops. But it is probable in case of war that the United States will be asked

[1] Hoffman Philip, Counselor of the Embassy at Constantinople.

to send several large men-of-war to guard certain parts of Norway's southern coast. The British Government would be glad to know whether such naval help could be expected if needed.

PAGE

File No. 868.00/126

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 24, 1917, 8 p. m.*
[*Received June 25, 7.30 a. m.*]

366. Venizelos and some members of his cabinet now in Piraeus Harbor. *Pourparlers* going on between them and Zaimis Government concerning terms of reconciliation for union of Greece. Reported that Zaimis will resign as he finds certain terms unacceptable, particularly that the Venizelist Chamber of Deputies of June, 1915, should be convoked. Venizelos maintains that present Chamber of Deputies elected January, 1916, is illegal.

DROPPERS

File No. 763.72/5533a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *June 25, 1917, 4 p. m.*

5043. Please tell Mr. Balfour that Mr. Morgenthau sailed June 21 on steamship *Buenos Aires* and should arrive in Cádiz about July 1. Also say that I will be very grateful if he can arrange to have Mr. Chaim Weizmann meet Mr. Morgenthau at Gibraltar. I hope you will leave nothing undone to secure Mr. Balfour's consent, as it is considered most important that Mr. Morgenthau see Mr. Weizmann.

LANSING

File No. 763.72/5533b

The Secretary of State to the Ambassador in Spain (Willard)

[Telegram]

WASHINGTON, *June 25, 1917, 4 p. m.*

549. Mr. Morgenthau sailed June 21 on steamship *Buenos Aires* and should arrive Cádiz about July 1. Please telegraph in special red code strictly confidential to the Consul to meet Mr. Morgenthau and tell him that British and French representatives will meet him at Gibraltar. Also that Department understands that Monsieur Weyl will go to Gibraltar, and French consul will have his address.

LANSING

[For public statement issued by the Russian Minister of Foreign Affairs (Tereshchenko) on May 6/19, 1917, declaring that he would work for an early general peace "without annexations or indemnities," but including a "realization of their ideal" for the people of Alsace-Lorraine, that there is no question of a separate peace, that publication of the secret treaties would be untimely, and that Russia must continue to defend herself in the field, see enclosure in despatch No. 760, May 21, 1917 (received June 26), from the Ambassador in Russia, *Foreign Relations*, 1918, Russia, Volume I, page 75.]

File No. 868.00/128

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 26, 1917, 2 p. m.*
[*Received June 27, 6 a. m.*]

368. Zaimis cabinet has resigned. Venizelos returning to Athens to become Prime Minister. He considers King Constantine did not abdicate in good faith and still hopes to return. Therefore prolongation of any interim or compromise régime will merely serve to keep up morale of Germanophile party. He considers therefore his accession to power urgent. He intends to impress upon all sections necessity of maintaining order and discipline. I do not expect immediate declaration of war by Greece on Central powers. Following example of my colleagues, have had "private" audience with the King. He said that chief obstacle to general harmony was with Army officers who objected to serving with those who had in their opinion violated their oath to late King. He asked for assistance United States in his difficulties. Counselled cordial cooperation with Entente as only solution. I think he still fears Germans.

DROPPERS

File No. 763.72/5558

The Chargé in Japan (Wheeler) to the Secretary of State

[Telegram—Extract]

TOKYO, *June 27, 1917, 12 a. m.*
[*Received June 27, 11.15 a. m.*]

Your cipher telegram of June 22, 5 p. m.,[1] and my telegram of June 19, 1 p. m.[2] Important members of mission are: Ambassador Ishii, Vice Admiral Takeshita, Major General Sugano and Nagai. For accurate biographies of these see *Who's Who in Japan*, 1916,

[1] Not printed.
[2] *Ante*, p. 103.

transmitted with the Embassy's despatch of November 27 last.[1] . . .

The purpose of the mission is to express to our Government Japan's gratification that the United States has entered the war and to discuss present problems arising from the latter, more particularly (1) the question of the defense of the Pacific including such patrol of Pacific routes by the Japanese Navy as might permit concentration of our own Navy in the Atlantic, and (2) coordination of effort in the supply of munitions to Japan's European allies. I have reason to believe however that Viscount Ishii's instructions as to conversation will be very general and that he will be accredited to take up any questions affecting the Far East which the United States and Japan may mutually deem expedient to discuss. I am confidentially informed that he will broach the matter of the undesirable treatment of Japanese who are lawfully in the United States and that of economic cooperation of United States and Japan in China. My informant, who is a member of the Foreign Office, referred to an informal conversation between Mr. Bryan and Viscount Chinda as to an ultimate solution of this question of undesirable treatment. He said that it had not been determined whether Viscount Ishii would present the question in the form in which it had then been presented. In speaking of economic cooperation in China he referred to an informal suggestion which he said had been made some time ago by Mr. Reinsch to Baron Hayashi of a general plan which should be based on the actual possession of concessions in China by Japanese and Americans.[2]

WHEELER

File No. 763.72/5552

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 27, 1917, 1 a. m.*
[*Received 11.15 a. m.*]

6544. My 6503, June 20,[3] and 6543, June 26.[1] Sims sends me by special messenger from Queenstown the most alarming reports of the submarine situation which are confirmed by the Admiralty here. He says that the war will be won or lost in this submarine zone within a few months. Time is the essence of the problem and

[1] Not printed.
[2] For the agreement regarding questions of mutual interest relating to the Republic of China, effected by exchange of notes between the Secretary of State and the Japanese Ambassador on Special Mission, Nov. 2, 1917, see *Foreign Relations*, 1917, p. 264.
[3] *Ante*, p. 106.

anti-submarine craft which cannot be assembled in the submarine zone almost immediately may come too late. There is therefore a possibility that this war may become a war between Germany and the United States alone. Help is far more urgently and quickly needed in this submarine zone than anywhere else in the whole war area.

PAGE

File No. 763.72/5637

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *June 26, 1917.*
[*Received June 28.*]

MR. SECRETARY OF STATE: My Government informs me that a recent examination of the transportation question in France brought out the necessity of constituting at Paris a permanent committee whose duty would be to study everything that bears on the subject, the outfitting of ports and pooling of the Allies' resources in that respect.

In my Government's opinion the committee to be constituted should include, besides a French representative, representatives of Great Britain, the United States, and Italy.

By order of my Government I have the honor to beg Your Excellency to let me know at as early a date as possible whether you concur in this view and will appoint an American agent to join in the work.

The French delegate will be Mr. Claveille, and from the information that has come to us, the British Government proposes to designate Colonel Thornton. General Pershing, to whom the subject was broached, expressed himself favorably, according to what I am told.

Be pleased to accept [etc.]

JUSSERAND

File No. 868.00/129

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

Athens, June 28, 1917, 5 p. m.
[*Received June 29, 3.30 a. m.*]

369. In new Ministry Venizelos takes portfolio of War; Politis, Foreign Affairs. In speech yesterday Venizelos said:

As regards foreign policy, we understand the place of Greece alongside of democratic nations which are fighting for liberty of world against Central Empires and their two allies who are our hereditary

enemies. We realize that if we do not chase this redoubtable enemy from eastern Macedonia of which a criminal policy of *status quo* has opened doors to Bulgarians this part of country will risk great danger. However, before thinking of calling upon inhabitants of this part of country, i. e., Old Greece, for necessary sacrifices we must head and reinforce organism materially, morally.

DROPPERS

File No. 763.72/5626

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *June 30, 1917, 3 p. m.*
[*Received July 1, 2 a. m.*]

371. Status of relations between Greece, Central powers, not yet publicly formulated. However, reunited Greece in general assumes liabilities, policies, of late Provisional Government which had declared war Germany, Bulgaria. Considering relations broken off Austria-Hungary, Turkey announced that Greek Minister accredited Central powers to be recalled. Venizelos tells me he expects to have two new army divisions ready three months.

DROPPERS

File No. 763.72119/661

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *undated.*
[*Received July 2, 1917, 11.50 a. m.*]

1128. *Bund*, 28th, reports from Vienna that Socialists in Austrian Parliament demanded publication of Austria's war aims and emphasized necessity for peace on basis of self-governing right of nations and abandonment of claims for annexation or indemnities. Minister President replied that Austro-Hungarian Government is ever ready, in thorough accord with its allies, to negotiate with enemy for honorable peace, but that it upholds constitutional clause placing right to make peace in hands of Emperor.

Frankfurter Zeitung, 28th, states that Minister President's reply caused general disappointment and excited violent attacks from Social Democrats and Czechs. Parliament member Soukop declared in name Czech Social Democrats intention to consolidate all Social Democrats of Empire in effort to force attainment of European peace.

STOVALL

File No. 763.72/5646

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 2, 1917, 10 a. m.*
[*Received 1.15 p. m.*]

6599. The Allied Governments have of course held war conferences at intervals, sometimes in London, sometimes in Paris, and at least twice in Rome. These have been attended by such representatives of each Government as prime ministers, foreign secretaries, war ministers, members of war councils, sometimes but not always, by generals, as technical advisers. The subjects discussed have, as a rule, been subjects of large policy rather than technical military subjects. There will be such a conference about the middle of July, probably in Paris.

Mr. Balfour requests me to inform you and the President his idea is that the United States Government should, if it chooses, take part in this and subsequent conferences where its representatives would be welcome and their judgment and advice valued.

PAGE

File No. 763.72/5782e

The Secretary of State to the Chargé in Rumania (Andrews)

[Telegram]

WASHINGTON, *July 2, 1917, 6 p. m.*

38. Roumanian commission, Lucaciu, Mota, Stoica, here. Your letter introduction April 24[1] states that trip commission is with knowledge and sympathy Roumanian Government. They have note from French Minister, Jassy, to French Ambassador, Washington, stating they are charged with certain duties by their Government. Department does not understand this discrepancy. Commission state you were to send despatch to Department containing full information their mission. Department has received nothing from you except telegram requesting custom privileges for these men.[2] Department desires you telegraph promptly precise status this commission. Are they all Roumanian subjects?

LANSING

[1] Not printed.

[2] Erroneous reference; the telegram of June 6 conveying this request came from the Chargé in Japan, *ante*, p. 85.

File No. 763.72/5962

The British Embassy to the Department of State

Shipping is at the present time being sunk in the danger zone round the British Isles at a rate which exceeds that at which new tonnage of British origin can be turned out. It is to be foreseen that, if losses continue on the present scale, the available tonnage, leaving America's contribution out of account, will ultimately be inadequate to secure the United Kingdom a sufficiency of foodstuffs, oil fuel and other essentials.

France and Italy are in a very similar position.

Under the present methods of operation adopted by the enemy submarines, attacks are made almost exclusively by torpedo. The submarine itself remains submerged and is rarely seen unless and until the ship attacked has been actually struck by a torpedo.

The guns carried by merchant vessels serve to keep the submarines below the surface, but are useless against them when submerged.

The expectation is entertained that the convoy system, when in working order and provided that sufficient destroyers are available to form an effective screen, will serve to minimise losses. Progress is also being made with the introduction of new offensive measures, which will, it is hoped, ultimately result in the destruction of enemy submarines at a rate sufficient to secure the safety of sea communications with the British Isles.

But the method at present in use, viz., the employment of armed small craft in an attempt to prevent the submarines from using their periscopes for fear of an attack by ram or bomb, offers the only remedy for the next few months. The success of this method obviously depends on small craft being available in very large numbers and the critical character of the present situation is due to the fact that the forces of this nature at the disposal of the British Admiralty are not at present adequate for the work of protecting shipping in the danger zone.

It is therefore of the utmost urgency that additional armed small craft should be made available for use in the area near the British and French coasts where the commercial routes converge. Invaluable assistance could be rendered, not only by destroyers, gunboats and submarines, but also by trawlers, yachts and tugs. But these are needed immediately and, if sent in as large numbers as possible, would, it is hoped, save what is manifestly a critical situation.

The United States is the only Allied country able to afford assistance of this kind, and you should lay the situation outlined above before the United States Government, emphasising its serious and urgent nature.

[WASHINGTON,] *July 1, 1917.*

[*Received July 2.*]

File No. 763.72/6268

The Secretary of the Navy (Daniels) to the Secretary of State

Washington, July 3, 1917.

SIR: Referring to the cablegram from Ambassador Page in London, dated June 23, 1917.[1] After careful consideration of the present naval situation, taken in connection with possible future situations which might arise, the Navy Department is prepared to announce as its policy in so far as it relates to the Allies—

(1) The heartiest cooperation with the Allies to meet the present submarine situation, in European or other waters, compatible with an adequate defense of our own home waters.

(2) The heartiest cooperation with the Allies to meet any future situation arising during the present war.

(3) A realization that while a successful termination of the present war must always be the first Allied aim and will probably result in diminished tension throughout the world, the future position of the United States must in no way be jeopardized by any disintegration of our main fighting fleets.

(4) The conception that the present main military rôle of the United States naval force lies in its safeguarding the lines of communication of the Allies. In pursuing this aim there will, generally speaking, be two classes of vessels engaged—minor craft and major craft—and two rôles of action: first, offensive; second, defensive.

(5) In pursuing the rôle set forth in paragraph (4), the Navy Department cannot too strongly insist that in its opinion, the offensive must always be the dominant note in any general plans of strategy prepared. But, as the primary rôle in all offensive operations must perforce belong to Allied powers, the Navy Department announces as its policy that, in general, it is willing to accept any joint plan of action of the Allies, deemed necessary to meet immediate needs.

(6) Pursuant to the above general policy, the Navy Department announces as its general plan of action the following:

(*a*) Its willingness to send its minor fighting forces, comprised of destroyers, cruisers, submarine chasers, auxiliaries, in any numbers not incompatible with home needs, and to any field of action deemed expedient by the joint Allied Admiralties, which would not involve a violation of our present State policy.

(*b*) Its unwillingness, as a matter of policy, to separate any division from the main fleet for service abroad, although it is willing to send the entire battleship fleet abroad to act as a united but cooperating unit when, after joint consultations of all Admiralties concerned, the emergency is deemed to warrant it, and the entire tension imposed upon the line of communications due to the increase in the number of fighting ships in European waters will stand the strain imposed upon it.

[1] *Ante*, p. 108.

(*c*) Its willingness to discuss more fully plans for joint operations.

Sincerely yours,

JOSEPHUS DANIELS

File No. 763.72/5670

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *July 2, 1917.*
[*Received July 3, 1.30 a. m.*]

372. Minister of Foreign Affairs informs me Greece at war Germany, Bulgaria. Relations broken off other Central powers.

DROPPERS

File No. 763.72/13321a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *July 4, 1917, 7 p. m.*

5089. For Admiral Sims from the President:

From the beginning of the war I have been greatly surprised at the failure of the British Admiralty to use Great Britain's great naval superiority in an effective way. In the presence of the present submarine emergency they are helpless to the point of panic. Every plan we suggest they reject for some reason of prudence. In my view this is not a time for prudence but for boldness even at the cost of great losses. In most of your despatches you have quite properly advised us of the sort of aid and cooperation desired from us by the Admiralty. The trouble is that their plans and methods do not seem to us effective. I would be very much obliged to you if you would report to me, confidentially of course, exactly what the Admiralty has been doing and what they have accomplished and add to the report your own comments and suggestions based upon independent study of the whole situation without regard to the judgments already arrived at on that side of the water. The Admiralty was very slow to adopt the practice of convoy and is not now, I judge, supplying convoys on an adequate scale within the danger zone, seeming to prefer to keep its small craft with the fleet. The absence of craft for convoy is even more apparent on the French coast than on the English coast and in the Channel. I do not see how the necessary military supplies and supplies of food and fuel oil are to be delivered at British ports in any other way within the next few months than under adequate convoy. There will pres-

ently not be ships or tankers enough and our shipbuilding plans may not begin to yield important results in less than eighteen months. I beg that you will keep these instructions absolutely to yourself and that you will give me such advice as you would give if you were handling an independent navy of your own. Woodrow Wilson.

[LANSING]

File No. 763.72/5694

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 5, 1917, 9 a. m.*
[*Received 3.15 p. m.*]

6644. To the President and the Secretary:

A threatening controversy is going on in the British Cabinet about the proper attitude towards the submarine peril. The Admiralty faction, whose facts which are indisputable have been cabled to you, take a very gloomy view of situation and insist upon Cabinet's making a confession at least to us of the full extent of the danger and on giving more information to the public. The public has been kept in too great ignorance to feel alarm. The political faction which is yet the strongest, minimizes the facts and probably for political reasons refuses to give more publicity. They plead the necessity of exclusion full facts from the enemy and the danger of throwing the public into panic. The Prime Minister who is always optimistic . . . gave the public in his Glasgow speech a comforting impression of the situation, an impression that the facts do not warrant. This factional controversy is most unfortunate and may cause an explosion of public feeling at any time and consequently changes in the Cabinet. If the public here or in the United States knew all the facts the present British Government would probably fall. The political situation here as well as the submarine situation is therefore full of danger.

PAGE

File No. 763.72/13385

The French Embassy to the Department of State[1]

The French Government has invited the British, Russian and Italian Governments to a conference on the military situation in the Balkans for July 16. First the idea was to invite only the repre-

[1] According to attached memoranda, a reply by telephone was promised at the earliest moment, and this reply, July 13, was "Declined."

sentatives of the nations fighting in the Balkans. But many questions will be raised at this conference touching the general military situation. In these conditions the French Government will be glad to have the representative of the American Government taking part in this conference.

M. Ribot will be very pleased if the Secretary of State would kindly send instructions on this subject to Mr. Sharp and to General Pershing.

[WASHINGTON,] *July 6, 1917.*

File No. 763.72119/8273

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 6, 1917, 9 a. m.*
[Received 5.40 p. m.]

6670. For the Secretary and President:

Mr. Balfour has informed me that the Russian Government proposed to M. Thomas of the French Cabinet on his recent visit to Petrograd that the Allies hold an early conference to set forth in concrete terms conditions on which they will make peace.

Thomas brought the oral proposal to Balfour who personally disapproves of an early conference, and he is trying to have it postponed. There is reason to think that France and Italy will share his view. When the British Government reaches a decision he will communicate it to me.

Balfour's reasons are the very great danger at any early conference of [omission] and embarrassing controversies about conflicting aims and wishes among the Allies themselves. He thinks that further developments in Russia are necessary to reach an acceptable conclusion about Constantinople and the Dardanelles. He fears a lack of agreement to the claims that Italy will make. He thinks that further progress of the war is necessary before an agreement can be reached about several specific and conflicting proposals that will be made concerning Austria and some of the Balkan states.

My judgment coincides with his and my impression is that Great Britain will favor [postponing?] such a conference till further development of the war. It is easy to agree to general principles by which a peace agreement among the Allies may be reached, and such general principles as the President has laid down have, as you know, met the hearty approval of the British Government, but the Italian claims will provoke a strong controversy, and the Russian

attitude needs clearer definition. The differences that would be developed in an early conference would be most likely to discourage military activity by some of the Allies.

PAGE

File No. 763.72119/668

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *July 6, 1917, 3 p. m.*
[Received July 7, 12.10 a. m.]

818. *Deutsche Tageszeitung*, July 3, quotes from a speech on June 30 by Wolfgang Heine, a member of the Reichstag:

I recently had a conversation with the Chancellor and I am in a position to state that he would be willing to conclude peace towards East and West to-day without any annexations or compensations. In the past the Chancellor has never asserted this with such distinctness to the public. He has considered it more appropriate to keep quiet. This is not owing to lack of earnestness but to the nature of his position.

EGAN

File No. 763.72/5815

The Special Agents (Morgenthau, Frankfurter) to the Secretary of State [1]

[Telegram]

MADRID, *July 8, 1917, 12 noon.*
[Received July 10, 9.25 a. m.]

Full report of Schmavonian [2] and thorough canvass of the situation by the British and French developed that a feeling of greater confidence prevails in Constantinople because of Russian state of affairs, victory at Bagdad which was defeat for British greater than is known in United States and insecurity of British Army at Bagdad; therefore our opinion is very clear the time is not ripe to enter into negotiations. Foreign representatives vigorously urged that negotiations at the present moment would involve dangerous misinterpretation in Germany as well as in Turkey. It is useless therefore to proceed to Egypt; Philip's stay there unnecessary. British and French reporting to their Governments the importance of greater interest in Eastern situation according to the following report: [3]

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[1] Transmitted through the Ambassador in Spain, in telegram No. 670.
[2] Formerly special legal adviser to the Embassy at Constantinople.
[3] Corrections were made by comparison with the text later received by mail (File No. 763.72119/703½).

The undersigned beg to report to their respective Governments as follows:

Our conferences began on the 4th of July, lasting two days; their scope was set forth in the following statement made by the American representatives:

President Wilson received intimations indicating Turkish dissatisfaction with the war, weariness of its continuance, and signs of readiness, once conditions became ripe, for releasing [herself] from the German domination. This, [it] was conveyed to the President, is not the prevalent feeling of the present Turkish rulers, but it does represent the feeling of some of the [leaders] in Turkey. The President is, of course, wholly alive to the difficulties of detaching Turkey. He realized that the chances of immediate success are distinctly unfavorable. But the [reports] which the President received were of such a character that he deemed that he could not leave the opportunity they suggested neglected, in view of the great [enhancement] to the Allied cause, felt by the Allies, if such detachment should come to pass. The President, therefore, sounded England and France, and found cordial support [for] sending a mission abroad to search the ground in an endeavor to see if an opening existed on the Turkish side. Contemporaneous concern in the United States about the Jews in Palestine furnished a ready instrument for the appointment of a mission and to dispatch it abroad.

As a result, the President, in the formal announcement of the Department of State, "in an effort to ameliorate the condition of the Jewish communities in Palestine has sent abroad former Ambassador Henry Morgenthau and Prof. Felix Frankfurter of the Harvard Law School, now serving as assistant to Secretary of War." From this it will be evident that we are instructed to make soundings; we have no definite plan to propose for penetrating into the Turkish situation, much less any program of terms for dealing with the Turks. We have no instructions from the President as to the intentions of the United States regarding Turkey except this: that exclusive [control] over Constantinople by Turkey must cease and that the suppression of the [subject nationalities] of Turkey must cease. The terms and methods of a possible settlement will, of course, so far as the United States is concerned, have to be directed by the President.

It is with this object and in this spirit that we have been instructed to meet the representatives of the British Government and French Government to canvass the entire situation so far as it comes within the scope of our authority and to place all our information and ourselves at the disposal of our Allies.

The situation was fully canvassed in sessions lasting two days. The principal facts bearing upon the present Turkish situation which were discussed are as follows:

(1) Now, more than ever, the Turkish Government is Talaat and Enver, with Talaat the dominant factor. Enver is whole-heartedly pro-German, and for the continuance of the war. Talaat is not pro-German, but pro-Turkey, distinctly suspicious of Germany, chafing under its control, distrustful of its designs in case of German victory, and alive to the consequences to Turkey of a possible German defeat. Largely through Talaat, Germany has been kept out of the civil administration of Turkey; Germany exercises its power through the German military in Turkey, in cooperation with Enver. Talaat's (watchfulness?) against Germany is supported by Djavid Bey, the Minister of Finance, whose professed leanings are pro-Ally.

(2) The anti-German feeling, and peace possibilities in Turkey were strongest at the time of the fall of Bagdad. Since then such feeling has been checked and the hope of victory has strongly come in the ascendant. The explanation, of course, is to be found in recent Allied [reverses] and the events in Russia. [Gaza], the in-

terruption of the Russian offensive, the threatened insecurity at Bagdad, all combined for the time to strengthen Enver [and to] favor his ties with Germany.

(3) These are the present [favorable] factors. The intrinsic condition of Turkey is distinctly bad, and its available resources are continually diminishing. A reliable estimate places all deaths since the beginning of the war at three million. The food situation in various districts is alarming. The finances rest solely on hopes in German success. The war debt is over [two] hundred fifty million pounds, guaranteed, according to the Turks, by Germany, with an income hardly sufficient to pay interest alone.

A consideration of the [facts] at our disposal leads us to the following conclusions:

(1) The time is not now ripe to open channels of communication with Turkish leaders. Such a development must await a lessening of the [present] feeling of hopefulness at Constantinople. In other words, military success must precede any immediate attempts of diplomacy. Considerations presented at the conference made it clear that attempts at negotiations now would be construed as a sign of Allied weakness.

(2) But in Turkey, probably [above all] the Central powers, elements are developing for a break in their ranks. The detachment of Turkey should, therefore, be made a distinct and conscious aim of Allied diplomacy.

(3) The military is an indispensable instrument in the prosecution of such a diplomacy. We are, of course, not competent to suggest plans of appropriate attack. It is for us only to indicate the necessity of discrediting the military power of Enver and of encouraging the anti-German tendencies of Talaat.[1]

At the conference Weizmann announced that condition precedent in any negotiation with Turkey so far as Great Britain was concerned was the separation from Turkey of territory containing subject races, in effect Armenia and territory south of Taurus. The disposition of such [separated?] territory was a matter which he was not now competent to raise. Weyl expressed no views of policy. In any (future?) dealing with Turkey both English and French representatives strongly supported need of increased action in eastern theater but indicated difficulties as to available men and a favorable [opportunity?]. Weizmann raised [question of] possible participation of American force in eastern campaigns to which we deemed it appropriate to recall that America is not now at war with Turkey.

Communicate with us through Paris Embassy.

SPECIAL AGENTS

[1] No signatures included in telegram. Text received by mail bore the following signatures: Ch. Weizmann (for Great Britain); E. Weyl (for France); Henry Morgenthau, Felix Frankfurter (for United States).

File No. 763.72/5352

The Acting Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *July 10, 1917, 6 p. m.*

1556. Your 1394, June 14, 5 p. m.[1] Navy Department regrets that it cannot send division of destroyers, as suggested. The service of American destroyers in British waters has enabled Great Britain to send British destroyers to White Sea. POLK

File No. 763.72/5790

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *July 10, 1917, 6 p. m.*
[Received 8.24 p. m.]

1028. Memorandum received from Minister Bissolati who called on me yesterday states, after prefacing, that following not question of special favor Italy, but of great importance common interest Entente; that great military effort should be made on the Carso front whence enemy's weakest point attainable. He believes American troops on Italian front would be useful; states this also Cadorna's opinion. He recognizes, however, difficulties of sending Italians and feels that if possible they should be required to fulfill duty to their own country but believes that rule might be adopted that when enrolled in United States Army Italy might consider this as equivalent to Italian service. Believes that most important help on the Italian front possible from America would be sending heavy artillery. Also believes it important that American technical commission come to study Italian types of flying machines. Considers fleet of flying machines should be built on lines six-hundred-horsepower Caproni machine which can carry three metric tons of high explosives. Sonnino has also spoken of need of more heavy artillery. NELSON PAGE

File No. 763.72/5646

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *July 11, 1917, 5 p. m.*

5129. Your 6599[2] has been referred to the President and the decision reached that, while Mr. Balfour's cordial invitation is

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[1] *Ante*, p. 101.
[2] *Ante*, p. 114.

greatly appreciated, this Government is not ready at the present time to take part in the inter-Allied war conferences.

POLK

File No. 763.72/13321

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 11, 1917, 6 p. m.*
[*Received July 12, 5 a. m.*]

6710. For the President from Admiral Sims:

Your 5089, July 4.[1] I have sent by the last mail to the Secretary of the Navy an official paper dated this month giving the present British naval policy, the disposition of the vessels of the fleet and the manner and method of their employment. This will show to what extent the various units of the fleet, particularly destroyers, are being used to oppose submarines, protect shipping and convoys. It is hoped and believed that the convoy system will be successful; it is being applied as extensively as the number of escorting cruisers and destroyers available will permit. The paper shows also that there remain with the main fleet barely enough destroyers and auxiliary forces to meet a possible sortie of the German Fleet on equal terms. The opposition to submarines and the application of convoy system are rendered possible on the whole because of the British main fleet and its continuous readiness for action in case the German Fleet comes out or attempts any operations outside of shelter of its fortifications and mine fields. I am forwarding by next pouch the copy of a letter from the Minister of Shipping to the Prime Minister of June 27[2] showing the present shipping situation and forecasting the result of a continuance of present rate of destruction. This shows briefly that this rate is more than three times rate of building. A certain minimum amount of tonnage is required to supply Allied countries and their armies. The letter shows that at present rate of destruction this minimum will be reached about next January; this is not an opinion but a matter of arithmetic. It means simply that if this continues the Allies will be forced to make an unsatisfactory peace.

The North Sea is mined by the British and German mines for more than a hundred miles north and west of Helgoland up to the three-mile limits of Denmark and Holland, over thirty thousand mines, and additional mines are being laid. It is through these neutral waters that almost all submarines have been passing. A

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[1] *Ante*, p. 117.
[2] Not printed.

sea attack alone upon German ports or any heavily fortified ports could not succeed against the concealed guns of modern defenses. I have just been informed that preparations are now being made for a combined sea and land attack to force back the German right flank and deny them the use of Zeebrugge as a provisioning base, though not yet definitely decided by the War Council. This would have been done long ago but for disagreement between the Allies. The German Fleet has not left neighborhood of Helgoland for about a year. I am aware of but two plans suggested by our Government for preventing egress of German submarines. These were contained in Navy Department's despatch April 17 and May 11 and were answered in my despatches April 18 and May 14 respectively. These same suggestions and many similar ones have been and continue to be made by people of all classes since the beginning of the war. I have been shown studies of the proposed plans and I consider them impracticable. It is my opinion that the war will be decided by the success or failure of submarine campaign. All operations on land must eventually fail unless the Allies' lines of communication can be adequately protected. For this reason and as further described in my various despatches sea war must remain here in the waters surrounding the United Kingdom. The latest intelligence is available here and can be met only by prompt action here. It is wholly impossible to attempt to direct or to properly coordinate operations through the channel of communications, letter or cable, therefore, as requested by you, if I had complete control of our sea forces, with the success of Allied cause solely in view, I would at once take the following steps:

1. Make immediate preparations to throw into the war area our maximum force. Prepare the fleet immediately for distant service. As the fleet, in case it does move, would require a large force of protective light craft, and as such craft would delay the fleet's movements we should advance to European waters all possible craft of such description either in service or which can be immediately commandeered and put into service. That is, all destroyers, submarines, armed tugs, yachts, light cruisers, revenue cutters, mine layers, mine sweepers, gunboats, trawlers and similar craft.

2. Such a force while waiting for the fleet to move should be employed to the maximum degree in putting down enemy submarine campaign and in escorting convoys of merchant vessels and troops and would be in a position at all times to fall back on our main fleet if it were without these waters.

3. Prepare maximum number of supply and fuel ships. Establish at once lines of supply to our forces in France and be prepared to support our heavy forces in case they are needed.

4. Concentrate all naval construction on destroyers and light craft and postpone construction of heavy craft, and depend upon the fact, which I believe to be true, that regardless of any future develop-

ments we can always count upon the support of the British Navy. I have been assured this by important government officials.

5. As far as consistent with the above building program of light craft, particularly destroyers, concentrate all other shipbuilding on merchant tonnage, divert all possible shipping to supplying the Allies.

6. As the convoy system for merchant vessels at present affords better promise than any other means for insuring safety communication lines to military and naval forces on all fronts, we should lend every support possible to insure success. To this end we should cooperate with British authorities in the United States and here who are attempting to carry out convoy system.

7. To carry out the above policy questions of economy should not be allowed to influence military decision and every consideration of the nature of [omission] methods of peace should be swept aside. Our entire naval war activities will be wholly dependent efficiency organization, similar in all respects to British Squadron, and successful commercial organization. I believe the above advice to be in accordance with Government's principles of military warfare. The first step is to establish here London branch of our War Council upon whose advice you can thoroughly depend. Until this is done it will be impossible to insure that the part which the United States takes in this war whether it is won or lost will be that which the future will prove to have been maximum possible. It is quite impracticable for our interest nearly single-handed to accumulate all the necessary information and it is not only impracticable but unreasonable to depend upon decisions which must necessarily be based upon incomplete information since such information can not be efficiently communicated by telegraph or letter. This can be assured if I be given adequate staff but they must be competent officers of the required training and experience. I urgently recommend that they be selected from the younger and most progressive types, preferably War College graduates, men of the type of Knox, Pratt, Twining, McNamee, Cone, Sterling, Pye, King, Cotton, Coffee.

I wish to make it perfectly clear that my reports and despatches have been in all cases an independent opinion based upon specific facts and official data which I have collected in the Admiralty, and other government departments. They constitute my own conviction and hence comply with your request for an independent opinion.

PAGE

File No. 862.00/95

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *July 13, 1917, 2 p. m.*
[*Received 12 p. m.*]

847. The immediate result of the second Crown Council is the following proclamation printed in the official *Norddeutsche Allgemeine Zeitung*, July 12:

His Majesty the King has issued the following edict directed to the President of the Ministers:

As a result of a report made to me by my Ministers I herewith make the following addition to my edict of April 7 of this year. The draft of the law with reference to change in the parliamentary election laws which is to be placed before the Prussian Diet for its decision shall be based on the principle of equal suffrage. The proposition is in any event to be brought forward for discussion early enough to permit the new law to be in force at the time of the next election.

Newspaper then comments as follows: "The foregoing edict entirely clears up the question of the Prussian election laws."

The above was made public too late for the papers of the 12th to express any very definite opinions as to what effect the edict would have in quieting the present storm. Satisfaction that something has been accomplished is expressed by all.

Berliner Tageblatt says:

The proclamation makes it clear that the Kaiser has approved of the position taken by the Chancellor reforming the Prussian election laws. The satisfaction over what has occurred is somewhat cooled by wording of the edict. The question as to when this is to be effected is not very clearly stated. And nothing is definitely fixed for the autumn and the law may not perhaps become a reality until after peace is declared. Not a word is spoken regarding the political formation of the Empire, the participation of the people's representatives in the Government and their responsibility thereto.

Vorwärts, July 12, had apparently only time to publish the proclamation and then to say that this signifies for all Germany the first decisive step towards democracy.

EGAN

File No. 763.72/5835

The Ambassador in Spain (Willard) to the Secretary of State

[Telegram]

MADRID, *July 13, 1917, 11 a. m.*
[*Received July 14, 1.25 a. m.*]

681. Department's 590, July 12, 3 p. m.[1] Morgenthau left here July 10 Biarritz and Aix-les-Bains, giving address Embassy Paris, without informing this Embassy his further plans. Department's telegram repeated to Paris. WILLARD

[1] Inquiring "By what route is Morgenthau proceeding to Cairo, and at what places may he be reached *en route*?" (File No. 763.72/5808.)

File No. 862.00/96

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *July 12, 1917.*
[*Received July 14, 8 a. m.*]

530. Have procured from reliable source following information concerning conditions and developments in Germany:

Resolution has been proposed by Scheidemann group of Social Democrats declaring Germany's war aims do not include annexations or indemnities; that Germany fighting defensive warfare; Left extreme Progressive and Center Catholic parties declare themselves in favor this resolution. Two-thirds of Reichstag declare in favor of no annexations.

Another resolution introduced in the Reichstag demands that vote reform in Prussia giving equal adult suffrage be immediately put into effect instead of at the end of war. Erzberger, leader of Center Party, is championing this resolution and has declared that in order to carry it through the present Prussian Ministry must resign including Chancellor. This reform would give every Prussian adult equal vote in election of members of Landtag and would place the election of the seventeen Prussian members of Bundesrat in the hands of the people as opposed to present system of voting in proportion to income.

A third resolution demands the adoption of report of the Reichstag committee on revising Constitution of the German Empire. This committee of twenty-four was appointed last April and has reported by three-quarters majority in favor of representative parliamentary government making ministry directly responsible to Reichstag and taking from Kaiser and Chancellor their power of veto. This resolution also proposes change Constitution so that power [to] declare war shall rest solely with Reichstag and not with Kaiser and Bundesrat [as] at present. This proposal comes from liberal elements and has support of Center Party, National Liberals, Progressives and Social Democratic Party, numbering three-quarters of Reichstag. Situation has become so acute and fight so determined that the Kaiser obliged to go to Berlin and has for the first time during the war called a meeting of the Imperial Council of State. Crown Prince has also been summoned to Berlin. Reports from Berlin state that announcement of Imperial Council to be made soon will declare Kaiser in favor of immediate Prussian vote reform and parliamentary government. German censor has passed telegrams from Berlin stating that the Chancellor, Helfferich, Von Capelle and Zimmermann will probably resign but later information places this in doubt.

It is reported that there is considerable friction between German and Austrian Governments especially over the question of Germany's desire that Austria call to the colors men younger and older than those now serving. Reports state that difference between both countries were reason recent visit Vienna of Generals Hindenburg and Ludendorff.

MORRIS

File No. 763.72/5815

The Acting Secretary of State to the Special Agent (Morgenthau)[1]

[Telegram]

WASHINGTON, *July 14, 1917, 3 p. m.*

Department surprised and disturbed by your 670[2] as text of statement set out in cable seems to indicate a belief that you have been authorized to enter into negotiations looking towards a separate peace with Turkey.

Department desires to remind you that your final instructions were to deal solely with conditions of Jews in Palestine. This Government has been most careful not to express any opinion as to terms of peace, and the President hopes that no opinion was expressed at the conference which purported to be the views of this Government. Please report in detail as to purpose of conference and reason for stating views as coming from this Government.

The President requests that you and Frankfurter proceed to Cairo to carry out announced purpose of the mission, and that under no circumstances should you confer, discuss, or carry messages on any subject relating to the international situation in Turkey or bearing upon a separate peace.

POLK

File No. 763.72/6723

Memorandum Dictated in the Office of the Assistant Secretary of State by the British Ambassador[3]

Austrian Legation stated that in the course of the negotiations between the Emperor of Austria and Kaiser Wilhelm, Hindenburg had declared that under no circumstances could Germany adopt a program of a peace without annexation. Disruption and national bankruptcy would be the necessary consequence of a peace in which Germany recognized the commercial independence of Belgium.

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[1] Transmitted through the Ambassador in France, in telegram No. 2446.
[2] *Ante*, p. 120.
[3] Paraphrase of a telegram from The Hague, dated July 16, 1917.

File No. 763.72119/681a

The Acting Secretary of State to the Minister in Switzerland (Stovall)

[Telegram]

WASHINGTON, *July 17, 1917, 4 p. m.*

762. Please deliver the following cipher message to McNally:[1]

Department informed from reliable source that present conference between the Emperors of Germany and Austria-Hungary at Vienna is due to strong desire of Emperor of Austria-Hungary for peace on best terms obtainable, and that probably within one month propaganda will be launched in the United States to prepare the people for offer of inclusive peace from the enemy. Have you heard anything regarding this? If so, report fully by telegraph.

POLK

File No. 763.72/5863

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *July 6, 1917.*

[*Received July 17, 4.32 p. m.*]

90. General Scott[2] accompanied by four officers of his staff arrived on official visit Jassy July 3 leaving same night. Their visit was great success and they were accorded appreciative reception by Roumanian Parliament and their Majesties the King and Queen. General Scott's speech made to the assembled Roumanian Parliament was greatly appreciated. He reaffirmed the reasons of America's entry into war and America's intention of aiding so far as possible the victory of the Allies including Roumania.

ANDREWS

File No. 763.72/5881

The Special Agent (Morgenthau) to the Secretary of State[3]

[Telegram]

PARIS, *July 17, 1917, 4 p. m.*

[*Received 11.45 p. m.*]

Your 2446, 14th. Please assure the President that nothing done or said that in the remotest degree exceeds instructions. There is

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[1] James C. McNally, Vice Consul at Zürich.

[2] Maj. Gen. Hugh L. Scott, of the special mission to Russia; see *Foreign Relations*, 1918, Russia, Vol. I, p. 109.

[3] Transmitted through the Ambassador in France, in telegram No. 2299.

no cause for the President or you to feel disturbed. Under all the circumstances it is most desirable that Frankfurter make a detailed report orally. Frankfurter therefore will return. I shall rest with my wife at Aix-les-Bains prepared to proceed to Cairo if after hearing report of Frankfurter the President still desires me to go.

MORGENTHAU

File No. 763.72/5896

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 18, 1917, 8 p. m.*
[Received July 18, 5.43 p. m.]

6767. The Allied War Conference will meet in Paris July 25. British delegates leave London Monday morning. Since the President does not wish to appoint delegates I venture the suggestion that Admiral Sims and General Pershing be permitted to attend the conference as visitors. I am privately informed that this would please the British Government. Discussions of military subjects are likely to occur that it would be advantageous and perhaps necessary for our officers to hear. An invitation will be given to them to sit with the conference if this suggestion commends itself to the President, and be quickly received. PAGE

File No. 868.00/131

The Minister in Greece (Droppers) to the Secretary of State

No. 197 ATHENS, *June 18, 1917.*
[Received July 19.]

SIR: With reference to my telegram No. 350 dated June 11,[1] I have the honor to report as follows:

On Friday, June 8, the British Minister, Sir Francis E. H. Elliot, called at this Legation and informed me confidentially that to avoid further divisions of counsel among the Entente powers in the affairs of Greece, the three protecting powers, France, Great Britain and Russia, had decided to appoint a High Commissioner for Greece in the person of Monsieur Jonnart, a senator, who at the funeral of King George of Greece had been chief of the French mission. Sir Francis further informed me that the protecting powers had authorized Monsieur Jonnart to demand the abdication of King Constantine in favor of one of his sons excluding the Crown Prince.

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[1] *Ante*, p. 91.

M. Jonnart, who had reached the harbor of Piraeus the day before, had proceeded immediately to Salonica where he was to convey his instructions to General Sarrail and Mr. Venizelos. He was expected to be back on Sunday June 10.

On Sunday it was rumored that he had returned and had had an interview in the afternoon with Mr. Zaimis, the Prime Minister. At about half past 11 o'clock at night, I had a telephone message from Mr. Streit, former Minister of Foreign Affairs in the Venizelos cabinet when war was declared in August 1914 but now a bitter enemy of Mr. Venizelos, stating that he wished to see me on important business. I replied that I was at his disposition. A few minutes later he arrived in a state of agitation and informed me that M. Jonnart had seen Mr. Zaimis in the afternoon and informed him that certain measures would have to be taken with respect to the status of the King. This, Mr. Streit thought, meant abdication. He urged me to telegraph my Government and to request the intervention of the President. I replied that I would have to see M. Jonnart first, but that in any case I could see no solution but one that looked to a united Greece. I stated that the division of Greece into two hostile parties was to my mind the source of most of the evils from which Greece was suffering. His reply was that the King would, he thought, be ready for any sacrifice even to calling back Venizelos to the Ministry in Athens.

The next morning I intended to call on M. Jonnart but before going I wished to see Mr. Streit once more in order to get positive assurances with regard to the King's attitude. I had difficulty in finding him, but at 11.30 a. m. he called at the Legation only to inform me that M. Jonnart had already demanded the abdication of King Constantine in a note handed to Mr. Zaimis. I then informed Mr. Streit that he had come too late. It was quite useless for me to see Mr. Jonnart, or to make any appeal to my Government. I may add, at this point, that I knew that over a month ago the King was solemnly warned to make an effort to unite Greece and to recall Mr. Venizelos, but he was unwilling then to do so. It was now too late.

Very soon after this, at about 1 o'clock, the news of the ultimatum became public and caused great commotion in the streets. Crowds began moving toward the Palace, some from curiosity, some from self-interest and some from sympathy for the King. Even among Venizelists there are many who believe that the King is a victim of a cunningly devised pro-German camarilla. These people rather pity than dislike him.

At 2 o'clock, the Diplomatic Corps met by invitation at the British Legation. Sir Francis Elliot had first received a visit from Mr.

Zaimis, President of the Council, and from Mr. Michelopoulos, Director of Public Security. The former informed him that he had personally advised the King to accept abdication. The latter informed Sir Francis that measures had been taken to insure public order. He requested Sir Francis to make known to all the Diplomatic Body that there was no danger whatever for them in Athens. It was known that M. Jonnart had informed Mr. Zaimis that in case the King refused to abdicate the protecting powers would take summary measures to enforce their demand. Hence the fear of a possible uprising and rioting in the city.

About 3 o'clock a meeting of the Crown Council was held at the Palace at which the King announced his determination to accept the ultimatum of M. Jonnart. He abdicated in favor of his second son Alexander, a young man of twenty-three. The Crown Prince was excluded from the succession in the ultimatum on the ground that he was too much under the same influence as the father. At about 5 o'clock the King issued a proclamation (translation enclosed [1]) in which he announced his decision. This proclamation was distributed to the public by the police.

During the night the crowds continued to surround the Palace crying "Do not abdicate!" and making it impossible for the King and his suite to leave the Palace. The following day the same state of things prevailed until late in the afternoon when a passage was made from the Palace to the Royal Gardens opposite. The King, his suite and baggage went in automobiles to Tatoi, his summer residence, about 15 miles northeast of Athens. On the same day Alexander took the customary oath, as prescribed by the Constitution, issued a proclamation (translation enclosed [1]) to the Greek people.

The following day, owing to various difficulties, Constantine remained at Tatoi accompanied by a large number of officers and friends. The next day he left for Oropos, opposite Euboea, where he and his suite embarked in two small Greek steamers, the *Sphakteria* and *Amphitrite*. It is said that he will proceed by way of Corfu to Italy and thence to St. Moritz, Switzerland.

The demand of the protecting powers for the abdication of King Constantine springs from the ultimatum of December 31 signed by Great Britain, France, Italy and Russia. In that note certain measures were imposed on Greece, mainly two; (1) that all the arms and the remainder of the army should be transported to the Peloponnesus; (2) that the League of Epistrates (Reservists) should be dissolved and disarmed. A mixed military commission consisting of

[1] Not printed.

a British, French, Italian and Russian officer was dispatched to Greece to insure the proper administration of these measures.

Were these demands executed in good faith? On this point there is some division of opinion. The British and Italian officers maintain that the arms, officers and soldiers of the Greek Army were transferred to the Peloponnesus on a scale that absolutely precluded the Greek Army from injuring General Sarrail at Salonica. Technically, the Greek Government, I believe, has complied with the terms of the ultimatum in this respect. On the other hand the French officer, General Cauboue, continued to point out that arms were hidden in various places in the vicinity of Athens. Only the week before June 10, several quantities of arms were found in places of concealment and in one instance on or about June 9 when General Cauboue demanded delivery of certain arms that were concealed near the outskirts of Athens about three hundred "Epistrates" refused to let him enter the house. He departed without securing the arms. Besides, although the League of Epistrates was officially ordered dissolved, it was well known that it remained thoroughly organized. Vague threats were disseminated that at the next crisis the Venizelists would not be treated leniently as they were in the uprising of December 1, but would be exterminated and their houses razed to the ground. But more important than these threats was the attitude of the higher military circles. These were thoroughly Germanophile. When the news came that America had officially entered the war, a Colonel Metaxas, of the General Staff, wrote an article over his own signature to the effect that our joining the Allies could have no influence whatever, that from a military point of view America was a negligible quantity. . . . The so-called Royalist press in Athens circulated the most absurd canards. They reported again and again that German soldiers were in northern Greece ready to bring succor to the oppressed Greeks. They steadily minimized German defeats and magnified those of France and Great Britain.

Therefore, although the terms of the ultimatum of December 31 may be said to have been technically carried out, in spirit the situation remained much as before. The French cut the Gordian knot by demanding and securing the abdication of the King and however much I may sympathize with him, personally I am bound to confess that the measure was justified. He had many likable qualities and under other circumstances might have been a successful ruler, but surrounded as he was by sinister influences, he was rapidly leading his country to ruin.

The following message of sympathy is reported to have been sent to the King after his abdication by the Kaiser. I do not vouch for

it, but if authentic it affords additional evidence of a spiritual sympathy between the two rulers:

It is with just indignation that I learn of the cowardly insult given to you and to your dynasty by our common enemies. I give you the assurance that your absence shall be only temporary. The mailed fist of Germany with the added help of Almighty God will restore you upon your throne which no man can have the right to take from you.

The armies of Germany and those of her allies shall reap vengeance upon all those who dared with such insolence to place their guilty hands upon you.

We hope to receive you in Germany with the first opportunity. A thousand heartfelt greetings!

I have [etc.] GARRETT DROPPERS

File No. 862.00/111

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *July 19, 1917.*
[*Received July 20, 7.20 a. m.*]

1092. Following is summary of Chancellor's speech before Reichstag to-day as reported in Wolff [1] telegram from Berlin just received at Amsterdam:

Chancellor, after referring to seriousness of times and magnitude of burden which has been placed upon him, solicits cooperation of Reichstag and intimates that it would have been more dignified if enmity and hatred connected with criticism of the man of high merit who preceded him had not been publicly manifested. He states he would not have accepted office if he had not believed in justice of the cause and reviews incidents which he declares forced Germany into war. Russia's armaments and secret mobilization were grave peril to Germany and to take part in conference at that time would have been political suicide. Although English statesmen knew that this mobilization must lead to war with Germany they sent no warning to Russia while German Chancellor on July 29, 1914, informed German Ambassador, Vienna, that Germany would not allow herself to be drawn into world war as result of Austria refusing to follow Germany's advice thus showing that Germany struggled for peace. Germany rejects accusation that U-boat war is contrary to international law and rights of humanity and states that English war of starvation placed weapon in Germany's hand. Slight hopes that America, at head of neutrals, would oppose illegal acts of British were vain and rejection of Germany's sincere peace offer forced U-boat war as a counter-measure and as

[1] Wolff's Telegraph Bureau.

means of shortening war. U-boat war surpasses expectations. It injures England from economic and military point more and more so that their desire for peace cannot be counteracted much longer. He then pays tribute to Germany's Army, Navy and allies and comments on failure of Franco-British offensive on west, and reads telegram from Hindenburg on to-day's successes against Russians. Mentions that Greece was forced into war, failure of Italian offensive, also preparations to meet next season's attacks in Caucasus, Irak, and Palestine. Hope among Allies as result of America's participation need cause no grave anxiety, in considering amount of tonnage required to bring army to Europe together with supplies and equipment, which are necessary, as France and England can scarcely supply their own armies. Central powers can view future with security yet burning question is how long will war last. Germany did not want war or increase in power by force and therefore it will not carry on war a day longer merely for purpose of making conquests by force if an honorable peace is to be had. What Germans wish is to conclude a peace as men who have successfully asserted themselves.

For the Department's information:

As ordinary cablegrams from the Netherlands are subject to delay of 24 hours and as same situation may prevail in Denmark, representative Associated Press has stated that he would be glad if substance of this message could be communicated to Associated Press, New York.

LANGHORNE

File No. 862.00/116

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *July 20, 1917.*
[*Received 2.45 p. m.*]

1093. Continuing my 1092. Following is summary remainder Wolff telegram just received:

Present and coming generations shall look back with pride upon the time of war trial, a time of unheard-of deeds and sacrifices. A nation of under seventy millions that side by side with faithful allies, with the sword in the hand, has maintained itself before the frontiers of its country against manifold superiority has proven itself unconquerable. The aims resulting from this are primarily territory of Fatherland must remain in integrity. We cannot treat with adversary who demands Imperial territory. If we make peace we must primarily see to it that frontiers of German Empire are made safe for all time. We must guarantee vital condition of German Empire on continent and overseas by means of understand-

ing and compromise. Peace must form foundation for permanent reconciliation of nations. It must prevent further animosity of nations through economic barriers and make sure that martial alliance of adversaries does not develop into economical alliance against us. These aims appear attainable by your resolution as I interpret it. We cannot again offer peace. Our honestly proffered hand was rejected, but Government is united with whole people, Army and its leaders who declare agreement with this declaration that if enemies disavow designs of conquest and aims of overthrow and wish to enter negotiations we shall with sincere readiness for peace hear what they have to say. Until then we must calmly and patiently endure.

Present times are most severe yet, respecting food. July was worst month. Drought halted growth. There was bitter need in many quarters but I can express glad confidence that relief will come shortly and people can then get more liberal supply. Nothing certain yet about harvest but grain crops will be better than thought by some. Grain stands not high but corn excellently developed. As 1915 we shall have medium crops. Rain came soon enough to save potatoes in many parts of Empire. We expect good potato crop and if we use carefully additional supplies Roumania and other occupied territory, shortage fodder which we [are] bound to face otherwise will be overcome. These years of war proved that even with crops like 1916 Germany can never be starved out. Sufficient oats if rations cut down. Difference distribution between city and country population have been disagreeably felt. Cities must better appreciate difficulties of agriculture and country population must realize how great need of large cities was and is. There must be *rapprochement*, each class must do all it can for the other. Sending hundreds of thousands city children into country may form the bridge. These differences must be removed at all costs. Regarding internal policy you cannot expect me make exhaustive statement now. Of course I stand on ground improved Prussian suffrage. I deem it useful and necessary to have closer contact between large parties and Government. I am ready to do all I can to make this cooperation more active and effective as far as possible without affecting federative character and constitutional structure Empire. I think it desirable relations confidence between Parliaments and Governments be made closer by having men appointed to leading positions who, beside personal qualifications, enjoy full confidence of large parties in Parliament. But all this on condition other side acknowledge constitutional rights of Government to conduct policy cannot be abridged. I am unwilling to permit leadership taken from my hands. Ship is sailing turbulent seas on dangerous course but bright goal is before us. What we fervently desire is new and splendid Germany, not Germany to terrorize world by force of arms as enemies believe. No, a morally purified, reverent, faithful, peaceful, mighty Germany, that we all love. For this Germany [we] shall fight and suffer. For this Germany our brothers yonder are bleeding and dying.

LANGHORNE

File No. 763.72/5896

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *July 20, 1917, 4 p. m.*

5177. Your 6767, July 18.[1] Your suggestion submitted to the President and he feels presence of Admiral Sims and General Pershing, even as visitors, could be misconstrued. All necessary naval and military information can be obtained after the conference. I find this is also the opinion of the War Department.

For your confidential information the President unwilling to be represented by conference of all powers engaged in the war, as we are not at war with Austria, Bulgaria or Turkey. Attendance at the conference also might give the impression to this country that this Government was discussing not only the conduct of the campaign, but the ultimate purposes having to do with peace terms.

POLK

File No. 763.72/5923

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *July 11, 1917.*
[*Received July 20, 5.10 p. m.*]

95. Your 38, July 2, 6 p. m.[2] A note of April 1 by Acting Minister for Foreign Affairs stated that Father Lucaciu and two companions were not an official mission and no request was made to accredit them to American authorities: but that they went with approval and sympathy of Roumanian Government which would appreciate all facilities accorded them. I gave Father Lucaciu a letter of introduction Secretary of State strictly accord with Foreign Office note. I also gave him letter to Chargé d'Affaires at Tokyo requesting arrange by telegraph for customs privileges.

I sent no telegrams on this matter and do not know anything about letter given him from the French Minister here to the French Ambassador, Washington, D. C.

Their passports were ordinary Roumanian containing no mention any official quality.

Roumanian Minister for Foreign Affairs has reaffirmed to-day that these men have sympathy of Roumanian Government but not official status.

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[1] *Ante*, p. 131.
[2] *Ante*, p. 114.

The purpose of their visit is to quicken patriotism Roumanians in United States for Allies' cause and American Army and to interest American sentiment.

ANDREWS

File No. 763.72/6059g

The Acting Secretary of State to the Special Agent (Morgenthau)[1]

[Telegram]

WASHINGTON, *July 20, 1917, 6 p. m.*

President requests that you remain in France as you suggest until Frankfurter reports. I cannot urge on you too strongly importance of refraining from discussing in any way matter discussed with Department before your departure. Entirely too much information seems to be abroad and the purpose of mission thoroughly misunderstood. Greatest care necessary. I feel sure we can depend on your discretion, but in view of importance take the liberty of making this suggestion.

POLK

Peace Resolution of the German Reichstag, July 19—The Inter-Allied Conference on Balkan Affairs—Partial Revelation of Secret Agreements Concerning Asia Minor—The American Proposal of an Inter-Allied Naval Conference—The President's Reply to the Request of the French Government for His Views on the Organization of a Society of Nations—Various Discussions of Peace Terms

File No. 862.00/114

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *July 20, 1917.*
[*Received 10.11 p. m.*]

1252. My 1251, 20th.[2] I telegraph herewith translation of Reichstag resolution accepted 19th instant:

As on August 4, 1914, the words of the speech from throne, "We are not driven by desire for conquest," still hold good for the German people on the threshold of the fourth war year. For the defense of its freedom and independence, for the integrity of its territorial possessions, Germany took up arms. The Reichstag strives for a peace of mutual agreements and the enduring reconciliation of peoples. With such a peace compulsory acquisitions of territory and political, economical or financial violence are irreconcilable. Reichstag rejects all plans that are directed toward an economic isolation and hostility of nations after war. The freedom of the seas must be secured. Only an economic peace can prepare way for

[1] Transmitted through the Ambassador in France, in telegram No. 2474.
[2] Not printed.

friendly living together of peoples. The Reichstag will promote actively the creation of international juridical organizations. So long however as the enemy governments do not accept such a peace, so long [as] they threaten Germany and her allies with conquest and violence, the German people will stand together as one man, endure unshaken and fight until her right and that of her allies to life and development is secured. In its unity the German people is invincible. In that the Reichstag knows itself as one with the men who protect the Fatherland in heroic battle. They are sure of everlasting gratitude of the German people.

STOVALL

File No. 763.72/6079b

The Acting Secretary of State to Diplomatic and Consular Officers

[Circular]

No. 536 WASHINGTON, *July 21, 1917.*

GENTLEMEN: The Department of State is anxious to be kept more fully informed concerning political events in foreign countries, especially those having to do with the war. Diplomatic and consular officials are requested, therefore, to make a particular effort to advise the Department, confidentially and otherwise, concerning all political developments of interest, and economic and industrial developments which may have a political tinge, or an effect on the general situation. Particular attention should be given to matters which the Department may desire to give to the American press or, possibly, to make a part of an information service to diplomatic and consular officers which is about to be established.

Especial attention should be paid to the effect of American participation in the war and the attitude toward the belligerency of the United States, adverse or otherwise.

I am [etc.] FRANK L. POLK

File No. 763.72119/684

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *July 20, 1917.*
[*Received July 23.*]

MR. SECRETARY OF STATE: A telegram which I have just received from the President of the Council, Minister of Foreign Affairs of the Republic, states that among the lofty motives to which the President

of the United States attributed the entrance of his country into the conflict now lacerating the world, the French Democracy was particularly impressed with the desire manifested by Mr. Wilson that a society of nations be constituted; this, to its mind, would be the best way of maintaining peace.

Mr. Ribot who, as Your Excellency knows, supported that proposition from the tribune of the Chamber, is devoting himself to finding out how such a society could be brought into existence and intends to convene a commission charged with the duty of examining the question.

But before coming to any decision in that respect, the French Government would be glad to have the views of the American Government and of President Wilson in particular, as there is no doubt that his high moral authority will promote an early execution of this grand undertaking.

I should be very thankful to Your Excellency if you would kindly make this wish known to the President and enable me to report to my Government the suggestions he may be pleased to offer. Mr. Ribot tells me he would attach great value to receiving positive information on this matter at the earliest possible date.

Be pleased to accept [etc.] JUSSERAND

File No. 763.72/5870

The Acting Secretary of State to the French Ambassador (Jusserand)

No. 1899 WASHINGTON, *July 24, 1917.*

EXCELLENCY: Referring to your note of June 26, 1917,[1] with regard to the necessity of constituting at Paris an international committee to study matters connected with the transportation question in France and to your suggestion that an American agent be designated to represent this Government on that committee, I have the honor to inform you that a letter has been received on this subject from the Secretary of War stating that Col. Harry Taylor, U. S. Corps of Engineers, who is now with General Pershing, has been designated as the American member of the commission. The Secretary of War also states that Colonel Taylor has been so advised by cable.

Accept [etc.] FRANK L. POLK

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[1] *Ante*, p. 112.

File No. 763.72/6128

The British Ambassador (Spring Rice) to the Secretary of State

[A copy of the following note from the British Secretary of State for Foreign Affairs to the British Ambassador was left at the Department by the Ambassador.]

No. 242 LONDON, *June 21, 1917.*
(W. 125449/17) [*Received July 24.*]

SIR: In my conversation yesterday with Mr. Page, I begged him to bring unofficially to the notice of the President the importance of American representation on Allied conferences. America was already, in the sphere of production and finance, the most important of the Allied powers; in the naval and military sphere, her importance was steadily growing. President Wilson was deeply interested, not merely in the conduct of the war, but in the arrangements to be made at its conclusion, and he would certainly claim to be represented when important Allied interests were under discussion. But how this representation was to be satisfactorily effected was by no means clear. There was no one in America exactly corresponding to a British, French or Italian Prime Minister; the President, who in a sense combined the duties both of King and Prime Minister, could not leave the country: and no head of department could be spared under ordinary conditions to cross the ocean and even if he could be spared he could only imperfectly represent the President's views. The difficulty arising out of distance had already made itself felt in the case of Russia. Plainly it existed quite as much in the case of America, and it seemed to be of great importance that the President should consider how it would best be got over.

Mr. Page promised to write confidentially to the President upon this subject.

I am [etc.] [No signature indicated]

File No. 763.72/6204

The Greek Legation to the Department of State

[Translation]

No. 1171

The Royal Legation of Greece has the honor of bringing to the attention of the Department of State the following despatch which it is instructed to communicate:

I request you to discuss the following with the Minister of Foreign Affairs and to leave with him a written note concerning it:

At the time of his installation at Athens, Monsieur Venizelos proposed to the Italian Minister that an effort be made to clear

up outstanding affairs between the two countries by a direct understanding. Since no strategic consideration appeared to justify the military occupation of Epirus, the President of the Council asked for its evacuation, adding that he was exerting himself at the same time to obtain the evacuation by the other Allies of all Greek territory outside the zones of operations. This point of view was accepted by the Italian Minister, who asked only that the Italian troops should retain, even after the evacuation of Epirus, the use of the section of the road Santi Quaranta Corytza traversing annexed territory. Monsieur Venizelos agreed. The Italian Government ratified the principle of this arrangement, adding that its execution would take place within a month, but it asked, besides the military occupation of the section of road claimed by its Minister, the occupation of the enclave formed by this road and the boundaries of Northern Epirus fixed by the protocol of Florence. Monsieur Venizelos observed that such a request was hardly justified, since Greece, being the ally of Italy, could perfectly well guard with her own resources the enclave commanded by the road of which the Italians retained the use. But in order to give further evidence of his good will, he agreed that the enclave should remain under Italian occupation provided the Greek civil administration were reestablished therein. The Italian Minister replied that he was willing to come to an agreement on that basis but that, since a doubt had occurred to Monsieur Venizelos, he ought to refer it to Rome. The reply of his Government, however, was not satisfactory. Invoking the opinion of its military authorities in its defense, it declared that it was unable to admit the reestablishment of the Greek administration in the enclave. Monsieur Venizelos remarked that this refusal was in no way justified, and the Italian Minister offered to try to persuade his Government. Yesterday he informed the President of the Council that his Government's refusal was final. He gave no other explanation than the unjustified opinion of the Italian military authorities. He merely offered to furnish the most formal assurances that the enclave would be restored to Greece at the end of the war.

Monsieur Venizelos is obliged to declare that, to his great regret, he finds it impossible to yield, not only because he is dealing with an unjustified and inexplicable demand, but also and especially because he would be unable to defend its acceptance in the Chamber, where public opinion might with good reason object that this Government has no guarantee that the powers would take the interests of Greece into consideration at the end of the war, since, in an affair like that of the enclave of Epirus in which our rights are so clear, one of the powers, although allied with us, declines to place the least confidence in us.

Under these conditions, says Monsieur Venizelos, the Greek Government must appeal to the arbitration of the other Allies in order to clear up this difficulty, which it regrets not being able to solve directly with Italy. Count Bosdari understands quite well that it is not a question of a complaint against his country, and has agreed to try once more to persuade his Government. In explaining the foregoing to the Minister of Foreign Affairs, I request you to add that

the Greek Government is obliged to give the closest consideration to this affair, for its situation before the Chamber would be rendered the more difficult by the fact that Greek public opinion has cause to be very sensitive on this point. In fact, at the time of the conference of Florence, Italy did everything in her power to procure the inclusion in southern Albania of the enclave in question, the Hellenic character of which is incontestable. The present insistence of the Italian Government upon excluding our administration from it is clearly illuminated by the recollection of Italy's manoeuvres and cannot but inspire the most legitimate apprehensions.

Obliged by the failure of a direct understanding with Italy to have recourse to the good offices of the other powers, the Greek Government does not limit itself to claiming the reinstallation of its authorities in the enclave, but demands the military occupation as well. It had agreed to the maintenance of the Italian military occupation, although unjustified in relation to a friendly and allied Greece, in order to give further evidence of its good will and to arrive at a friendly arrangement with Italy. But from the time that such an arrangement was ruled out by Italian intransigence, there was no longer any reason for consenting to the maintenance of foreign military occupation in the enclave. As in the case of our other means of communication, the Royal Government is ready to allow Italy, as it does and will continue to do to the other Allies, the free use of the section of road commanding the Epirote enclave; but that concession, like the other facilities granted to the Allies, must not diminish the exercise of our sovereignty. We undertake by our own means to guarantee the safety of the roads and their use by the Allies.

You will have the goodness to report on your interview with the Minister of Foreign Affairs. Politis, Minister of Foreign Affairs.

WASHINGTON, *July 17, 1917.*
[*Received July 24.*]

File No. 763.72119/685

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *July 23, 1917, 4 p. m.*
[*Received July 24, 11.05 a. m.*]

2321. Section 1. Mr. Cambon has asked me to transmit to the Department certain questions which Mr. Ribot, President of the Council, had formulated as likely to be discussed, though unofficially, and exclusive of those relative to the Balkans, which are the stated object of the conference to be held in Paris Wednesday, 25th instant. He had previously asked me to call at the Foreign Office, that he might acquaint me with the contents of a cablegram received from Mr. Jusserand which set forth the reasons of the President for declining to have our Government represented at this so-called

Balkan conference. I feel sure the President decided very wisely. While expressing disappointment that our Government was not to be represented at the conference, Mr. Cambon said that it had occurred to both Mr. Ribot and himself that in lieu of such reports it might be very helpful if they might get some opinion as to the attitude of our Government upon questions which, under certain contingencies, are liable to arise. He did not indicate at the time the nature of the questions and I did not anticipate they would take form so quickly.

On the following day, however, Mr. Cambon telephoned me that a note had been mailed to me setting out these questions and we thereupon arranged for a meeting at his office. The questions which he asked me to transmit are in substance as follows:

1. The Russian Government has proposed to submit to a future conference the examination of the Allied objects of the war. The English, French and its representatives may be called upon on this occasion to examine the expediency of accepting or rejecting this proposition and in case that it should be accepted the objects that the Allies ought to maintain in common accord.

2. A rumor has circulated that Austria was looking for a separate peace and certain indications show that that country is manifestly tired of the war. It may be useful to examine how one should look upon the suggestions which might come from that direction.

3. The questions concerning Asia Minor have been at several times the objects of agreements between the Allies. These agreements can be affected by the very nature of the issue of the war and we should be happy to know the sentiments of your Government on the subject.

4. There is need of caution that persons who make themselves, knowingly or not, the echoes of German intrigues in Allied countries spread the report that the military efforts of the United States will be incomplete and tardy. It is essential to combat these harmful rumors and, at the same time in order to regulate the effort that on our front the Anglo-French, Belgian and Italian forces ought to make, to know exactly the expectations of the Government of Washington on the total military concourse that it will be able to lend us and on the different delays that this concourse will necessitate.

5. Finally it has been learned that the American Government had the thought of leaving to the Allies themselves the allotment of the sums that the United States should put at their disposition, and Mr. Cambon added that the French Government would be pleased to know if it would be notified of a proposition in this sense before the conference of Paris, 25th of July, for it would be appropriate to be able to deliberate upon it.

Concluding his communication to me he said: "Such are the different questions to which it seems to me expedient that you should

call the attention of your Government and that you should ask from it precise indications."

Mr. Matsui, the Japanese Ambassador, telephoned me this morning that while his Government had been invited to participate in conference, yet on account of the uncertainty of its doing so, he had cabled at the request of the Foreign Office to find out its position upon certain questions.

End of first section.

SHARP

File No. 763.72/5971

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *July 24, 1917, 4 p. m.*
[Received July 25, 3.05 a. m.]

2321. Section 2. Next to the actual participation of the United States in the war on the side of the Allies, certainly no other one thought has given so much satisfaction to the French Government as that of the prospect of America becoming an important factor in shaping the terms in the ultimate peace convention. At the very time that Lord Northcliffe was quoted as saying in substance, at a banquet in London soon after our entrance into the war, that he could not look with pleasure upon the United States taking part in such convention, Mr. Cambon was telling me at the Foreign Office, with unfeigned delight, of the satisfaction with which France hailed such a participation.

All the Allied lesser powers in Europe have voiced the same feeling, and with scarcely a single exception the representatives of those countries have at different times expressed to me that view in the warmest terms.

Particularly among these latter powers the coming conference has excited much interest and some concern. Within the past few days the Minister for Foreign Affairs of the Montenegrin Government came to ask if I would intercede to have my Government represent his country at the conference as he had been told that its desire for participation had not been favorably entertained. He expressed the gravest concern over a future autonomy of Montenegro on account of the ambitions of Servia. My reply that my own Government was not to be represented at the confederation [*conference?*] was a sufficient answer to his request.

The same day the Chinese Minister came to me to tell me that he looked with much anxiety in regard to the future policy of Japan

towards his country, though he expressed the conviction that the recent rebellion in China was undoubtedly fomented by German intrigue. He stated that its early suppression served the double purpose of not only restoring stability to the country but prevented the Japanese Government from sending over troops on the plea of protecting its interests in China.

Later Mr. Roussos, the new Greek Minister to the United States, who sails this week, came in to pay his respects and during our brief conversation he told me that while matters looked now very favorable for improved conditions in his country, yet there were some differences existing between Greece and Italy growing out of the insistence of the latter to control that section of Greece through which [pass] the railroads for the movement of troops, Venizelos requesting that the civil Greek authorities be permitted to exercise control in that territory, not, however, thereby preventing the free use of the railroads to Italian troops.

Yesterday Mr. Vesnitch, the Servian Minister, very highly esteemed by his colleagues, came to my office to tell me that although his Government and that of Roumania and Greece had been invited to attend the conference in a consultative capacity, yet they had been given to understand that it was not expected that they would have a vote or be permitted to take any other action in effecting the decision of the conference. He had informed the Foreign Office that it was his intention to offer a protest to such action and was then awaiting the arrival of the Minister of the Foreign Office of the Servian Government to consult him upon what action to take. He in turn expressed to me much concern over the designs that Italy had toward his country. I know from previous statements made by him on other occasions that he has strong convictions as to the dangers and complications that may grow out of such designs. He showed much pleasure recently in telling me that he had been notified by his Government that it was planned to send a mission over to America of which he would be the head.

All my colleagues to whom I have referred, however, have with one common accord manifested the greatest faith in the good intentions of France.

I assume that the principal discussion at the conference itself—the object of which has been stated to be the consideration of the Balkan question—will center around the policy of maintaining the Allied forces at Salonica, concerning wisdom of which there has been at different times a good deal of doubt and dissatisfaction, chiefly growing out of the difficulties, I understand, of meeting the burdens which it involves in the employment of a large tonnage of ships.

It is my belief that France and England are now more in accord upon this matter than at the beginning of the Salonica movement, though it has been a heavy burden on England for the reason stated.

Russia will be represented by the Chargé d'Affaires and several officials who have been sent to Paris by the Provisional Government for that purpose. I am informed on good authority, however, that they have been instructed to only discuss Balkan affairs as they relate to maintaining the Salonica front.

I have given this general outline of some of the issues which may be raised and of the attitude of some of the participants in reference thereto in order to enable the Department to get some appreciation of the conditions which exist here on the eve of this conference, which is the first of the Allies to be held since the advent of the United States into the war and the Russian revolution.

Personally I believe that its deliberations will be characterized by great wisdom and harmony, for no matter what differences may exist among some of the powers, or concern as to their own particular interests, they all recognize the great necessity of presenting a united front with as little division as possible.

SHARP

File No. 763.72119/686

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *July 24, 1917, 10 a. m.*
[*Received July 25, 11.30 a. m.*]

1274. From McNally:

The success of the recent Russian offensive which resulted in great Austro-Hungarian losses in the face of German assurance of separate treaty of peace with Russia, or at least of the military autocrats of Russia, together with the pleadings of his Empress has influenced the Emperor of Austria-Hungary to notify the Emperor of Germany of his earnest desire for peace. The Emperor of Germany, Hindenburg and others in turn went to Vienna to try to persuade him to continue the war. He, however, declared that Austria-Hungary was very tired of the war and their resources exhausted and that if he could not ask for peace terms jointly with the Central powers he would be compelled to sue for a separate peace. Emperors of Germany and Austria-Hungary have had a conference in Vienna regarding peace terms if the peace attitude of the Emperor of Austria-Hungary could not be changed. Details of the conference as yet are unknown to my informant.

My subordinate position of Vice Consul barred me on the 18th from circles where I could have met a high German officer bearing important information for me. My inferior official status is a fatal barrier to my work by which, as United States Consul General, I might have been able to save thousands of American lives and millions of American dollars. Legation can inform you as to this.

STOVALL

File No. 763.72/6017

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *July 26, 1917, midnight.*
[*Received July 27, 5.05 p. m.*]

2334. Having had an opportunity at a dinner given by Premier Ribot last night to the delegates to the conference which opened yesterday and to-day at a luncheon given by the President of the Republic to very much the same personnel, to hear something in a most natural way of the subjects discussed in the conference, what I learned may be said to confirm in a general way that which I stated in section 2 of my telegram of the 24th, No. 2321.

As pertaining to the Balkan situation I understand that England expressed its consistent opposition to the policy of maintaining the forces at Salonica stating that in addition to reasons heretofore existing the inability of Russia to cooperate with her forces in Mesopotamia made it all the more necessary for her not to divert her strength from military operations in that campaign. I heard that France and Italy still favor the consolidating the Salonica military operations. I do not, however, look for any friction growing out of these differences and would think that for the present at least there will be no change in reference thereto.

I learned that one of the most acrimonious discussions took place over the admission into the conference of Greece, Italy contending that the status of that country was such as not to entitle her properly to such recognition and that Greek delegates opposed this contention by stating Greece was now to all intents and purposes an Allied power and as such should be given without reserve the same consideration as was accorded to all the other Allies. Lloyd George addressing himself to Sonnino asked for a suspension of judgment until the case [adjusted?] and pointed out the urgent need for maintaining the best of feelings.

Servia and Roumania, and even Montenegro, were admitted into the conference, and Russia and Japan likewise participated. I am satisfied that good feeling will prevail throughout all the discussions,

and a harmonious front will be presented at the conclusion of the work, which it is thought may be finished to-night though it may possibly extend over another day. There is expressed among all the delegates keen disappointment over the latest developments in Russia.

The magnitude of the loss in prisoners and cannon in engagement of the last two days has forced upon the minds of those present the belief that they cannot seriously count upon any helpful cooperation from Russia for some time.

After the President's luncheon to-day both Mr. Ribot and Mr. Cambon expressed the earnest hope that I would attend the conference at 5 o'clock to-day, with the understanding that only the announcement of the conclusions of the conference—if they got that far—would be made. Although I have myself received no communication from the Department in reference to our Government's attitude toward being represented at the conference, yet, in view of Mr. Jusserand's telegram, which Mr. Cambon read to me, in which the President's reasons were given for not accepting the invitation extended, and the wording used in a telegram sent by the War Department to General Pershing upon the same matter, I explained that my attendance, even under such circumstances, might be misunderstood; Mr. Cambon thereupon informed me that he would be pleased to communicate to me as soon as known the report of the conference. I expect to receive this information some time tomorrow and will cable its substance.

Later. The conference finished its labors to-night with everybody seemingly satisfied over the result of the deliberations. The question of permitting delegates to attend the Socialist convention at Stockholm was not determined. However, *Le Temps* of this evening announces there will be some sort of a Socialist conference in London, scheduled to take place on the 8th and 9th of next month, at which prominent Russian delegates representing the soldiers and workmen will be present. Speaking of this with Lloyd George tonight he said that he hoped if any representatives came over from the United States Mr. Gompers should by all means head such a delegation. He said in fact that he was not sure but what under present conditions such a meeting attended by Mr. Gompers in a representative capacity would be of very great good. I asked him if I might quote his words to my Government and he said to me that he would not be only willing to have this done but would be very glad if I should quote him to this effect. I have myself believed that the selection of Mr. Gompers on the commission to Petrograd might have been a wise one. Mr. Lloyd George said that the Socialist element in England led by Mr. Henderson is regarded as force quite different in character from the continental Socialists, and

Mr. Balfour had previously spoken in the highest terms of Mr. Henderson's personal character. However, I am quite sure that the sentiment of those attending the conference was not favorable to permitting Socialist representatives from their countries to attend the Stockholm convention.

SHARP

File No. 763.72/6059

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *July 28, 1917, 4 p. m.*

5221. In order to secure the fullest cooperation of the American and Allied fleets and to discuss the best plans of operation to insure victory, the Navy Department feels that there should be an early conference between the commanders in chief or such officers as the several governments may designate. If this is agreeable to British Government, this Government will order Admiral Mayo and Vice Admiral Sims to represent the United States at such conference.

Please take this matter up informally with the Foreign Office.

POLK

File No. 763.72119/685

The Acting Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *July 31, 1917, 4 p. m.*

2501. Your 2321.[1] Question No. 3 refers to agreements between Allies concerning Asia Minor. Department has no information regarding these agreements and would be glad to be informed of their nature in order that it may be in a position to answer the inquiry.

POLK

File No. 763.72/6064

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 31, 1917, 6 p. m.*

[*Received 7.35 p. m.*]

6861. Your 5221, July 28, 4 p. m. Mr. Balfour heartily welcomes the suggestion. When you call such a conference the British Government will respond favorably.

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[1] *Ante*, p. 144.

File No. 763.72/6086

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *July 27, 1917.*
[*Received August 1, 1.30 p. m.*]

107. Enemy advance threatens completely isolate Roumania by Russian retreat in force presenting alternative of evacuation into Russia or separate peace tantamount to capitulation including utilizing by the enemy of the reconstructed Roumanian Army. The King is divided between loyalty and repugnance to put himself at the mercy of Russian anarchy. Russian Minister has telegraphed Russian Government for authority to take initiative and declare officially to the King that if evacuation should become necessary he will be received suitably in Russia and Roumanian Army under him be charged with the [defense] of a district near the city where the Roumanian Government shall function. English, French, Italian Ministers have telegraphed their Governments to influence Russian Government to invite the King, Roumanian Government and Army into Russia in case of absolute necessity. In unison with the Allied Ministers I suggest you take similar action.

ANDREWS

File No. 763.72/6102

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *August 1, 1917, 1 p. m.*
[*Received August 2, 3 a. m.*]

Headed by official *Norddeutsche Allgemeine Zeitung*, many of the German papers print anniversary articles of the war situation. With the exception of *Vorwärts*, all describe the situation of a year ago as one of much seriousness and danger thereby furnishing a dark background on which improved situation may be favorably compared. *Vorwärts* states the Social Democratic position as follows:

The German people are as firmly decided not to lengthen the war by German annexation aims as they are not to shorten it by concurring in similar aims of the enemy. Peace will come when the annexationists [in] Allied lands have suffered the same defeat as in Germany.

In contradistinction to this last sentence the Pan-German press is asserting loudly that the peace resolution is void because of France's claim to Alsace-Lorraine. EGAN

File No. 763.72119/684

The Acting Secretary of State to the French Ambassador (Jusserand)

No. 1906 WASHINGTON, *August 3, 1917.*

EXCELLENCY: I did not fail to communicate to the President, upon its receipt, your note of the 20th ultimo,[1] stating that Mr. Ribot, President of the Council, Minister of Foreign Affairs of the French Republic, is giving his attention to finding out how a society of nations could be brought into existence, and that it is his intention to convene a commission charged with the duty of examining the question, but that, before coming to any decision in that respect, the French Government would be glad to have the views of President Wilson with regard to the undertaking.

Noting the intention of Mr. Ribot to assemble at some early date a commission to consider the feasibility, the form, and the objects of a society of nations, the President, in response to Mr. Ribot's gracious wish for an expression of his opinion, expresses the fear that such a commission, if constituted at this time, would be premature and unnecessarily introduce new subjects of discussion and perhaps of difference of view among the nations associated against Germany. The President's own idea has been that such a society of nations would of necessity be an evolution rather than a creation by formal convention. It has been his hope and expectation that the war would result in certain definite covenants and guarantees entered into by the free nations of the world for the purpose of safeguarding their own security and the general peace of the world and that in the very process of carrying these covenants into execution from time to time a machinery and practice of cooperation would naturally spring up which would in the end produce something which would in effect be a regularly constituted and employed concert of nations. To begin with a discussion of how such a concert or society should be constituted, under the presidency of which nation, with what common force and under what common command, etc., etc., would be likely to produce jealousies and difficulties which need not be faced now.

Accept [etc.] FRANK L. POLK

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[1] *Ante*, p. 140.

File No. 763.72/6155

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *August 1, 1917, 4 p. m.*
[Received August 3, 4.10 a. m.]

1581. Just had conference with Minister of Foreign Affairs who voluntarily informed me Government decided to extend Roumanian King same privileges Belgian King enjoys in France as expects Jassy abandoned, Germans evidently endeavoring cut off Roumania. Am advising American Legation, Jassy.

FRANCIS

File No. 763.72/6160

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *August 2, 1917, 6 p. m.*
[Received August 3, 11 a. m.]

2352. My 2334, July 26, 12 p. m.[1] Further referring to the outcome of the recent Allied conference to discuss the Balkan situation, I learned this morning from Mr. Cambon that the difference between the British and French Governments upon the wisdom of maintaining the forces at Salonica was so irreconcilable that it was not thought best to press the matter to a conclusion at the conference, but it was planned to have Mr. Ribot confer with Lloyd George in London as soon as possible with a view to see if some definite program could not be amicably agreed upon between them. As mentioned in my No. 2321, section 2,[2] England has all along felt that the tax on her shipping resources at a time when they were very much needed elsewhere was not sufficiently recompensed by the advantages which would accrue in holding Salonica and added to which reason was the fact that the Russian defection threw an added burden upon England in prosecuting her Mesopotamian campaign.

Mr. Cambon stated, however, that no discussion at the conference proceeded to such a situation as to cause any bitterness or serious dissatisfaction.

SHARP

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[1] *Ante*, p. 149.
[2] *Ante*, p. 146.

File No. 763.72/6168

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *August 2, 1917, 7 p. m.*
[*Received August 3, 2.30 p. m.*]

2353. Your telegram No. 2501, July 31, 4 p. m. In a talk with Mr. Cambon this morning I learned of a most interesting and rather complicated situation as it bears upon the question of Allied future interests in Asia Minor. It develops that prior to the entrance of Italy into the war England, France and Russia had entered into an alliance or at least had an understanding as to their respective interests in that country. The interests and aims of England in the valley of the Euphrates were tentatively defined, also those of Russia in Armenia, and those of France in Syria where she has valuable properties and many people of French nationality or allegiance. Besides she had in a way for several centuries protected Christianity in that country. This agreement naturally was based upon the collapse and practical dissipation of Turkish dominion in the countries named. Mr. Cambon, however, expressed it as his belief that England and France would not feel willing now to support Russia in her control of affairs [*Armenia*], stating that that country ought to be autonomous and free from outside control.

When, however, Italy joined the Allies she at once manifested a desire to assert her rights in the participation of a future exercise of power and possible acquisition of territory in the eastern Mediterranean which has not been well received by either France or England. As a matter of fact Sonnino, the Italian Premier, has been in London since the adjournment of the conference here last week in consultation with Lloyd George on these questions as they affect these different interests in Asia Minor and surrounding territory. Mr. Cambon said that Sonnino was pressing Italy's claim very persistently but that he thought that it was too early to enter into a definite agreement and I inferred that he also voiced the views of England in expressing that opinion. I have gathered from time to time that the contentions of Italy have been a bone of contention to harmonious action with the other Allied powers and Mr. Cambon made no concealment of the fact that Servia had previously cause for concern and dissatisfaction on account of the ambitions of Italy as briefly referred to in my No. 2321, second section, July 24. The subject mentioned in Mr. Cambon's third question and to which your telegram No. 2501 refers, has to do with the situation which I have thus briefly set forth.

Mr. Cambon added that naturally the questions were submitted to our Government in order that it might be made [aware of?] the questions which confronted the Allied powers for solution sooner or later. As I have stated in my No. 2352, August 2, 6 p. m., Mr. Cambon frankly said to me that on account of the enormous nature of one or two of these subjects of contention he was really glad that our Government was not represented at the conference.

SHARP

File No. 763.72/6195

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *undated.*

[*Received August 4, 1917, 11.25 p. m.*]

In order to save Roumania a great pressure must be brought by the American Government as already has been done by the other Allies on the Russian Government to send energetic orders to the Russian Army here. Soon it will be too late.

ANDREWS

File No. 763.72119/706

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *August 4, 1917, 6 p. m.*

[*Received August 5, 4.30 a. m.*]

963. Blankenstein, Holland correspondent located in Berlin, who passed through Copenhagen on his way to Petrograd about six weeks ago, returned to Copenhagen to-day. He stated that before going to Petrograd he had long conversation with Erzberger, Catholic member of Reichstag and unofficial representative of German Foreign Office. Erzberger urged him to endeavor to start peace negotiations. Arriving Stockholm, Blankenstein was approached by Austro-Hungarian Ambassador [*Minister*] with a view to making him the bearer of informal interchange of views between Austria-Hungary and Russia. Austrian Ambassador told him that his Government was very anxious to know the present Russian Government's idea of peace arrangements with Austria-Hungary and asked Blankenstein to sound the Russians when he reached Petrograd. Blankenstein refused unless the request was in writing. The next day he

received a letter from Austrian official at Stockholm (Blankenstein refused to say whether it was the Austro-Hungarian Legation or not but indicated that it was). Upon his [arrival] in Petrograd he had conversation with M. Lissakovski, representative of the Russian Foreign Office. This conversation happened to coincide with the publication of Chancellor Michaelis's speech in Reichstag. Starting with preliminary statement that a meeting of a Council of the Ministers had been held that morning to discuss the matter, he dictated for publication vigorous reply to the Chancellor saying that peace was impossible as long as Michaelis talked in terms of victory, etc. A complete statement has already been published in Dutch papers. He added, not for publication but still dictating, that as far as peace with Austria-Hungary was concerned Russia was disinterested and wished to take nothing from Austria, but he stated that both Italy and Servia aimed at a dismemberment of Austria-Hungary and that treaties existed guaranteeing to these two countries certain parts of Austria-Hungary. Russia realized that these treaties could not be enforced except after a complete defeat of Austria-Hungary and was again disinterested in this respect. Concerning Belgium he stated that all the Russian people would insist on complete restoration by Germany.

Legation hopes to obtain further information from Blankenstein.

EGAN

File No. 763.72/6337

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *August 9, 1917, 3 p. m.*
[*Received August 10, 1.50 a. m.*]

390. Your 318.[1] Markolf [*Politis*], Minister of Foreign Affairs, informs me officially:

The Greek Government gives official information that Greece is in a state of war with Germany by virtue of the declaration of war made in Salonica by the former Provisional Government of which the present Government is the direct successor. This Government has not deemed it necessary to make a new declaration of war in the speech from the throne and limited itself to the statement that a state of war exists with the enemies of the Entente.

DROPPERS

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[1] Not printed.

File No. 763.72119/717

The Ambassador in Spain (Willard) to the Secretary of State

[Telegram]

SAN SEBASTIÁN, *August 12, 1917, 8 p. m.*
[*Received August 13, 5.45 a. m.*]

740. In personal interview at Santander, 9th instant, His Majesty stated that within the next few months Germany would offer peace terms as follows:

Alsace and Lorraine as one and Poland as another to be independent kingdoms, their kings to be selected either by the belligerent, or by the neutral powers; Servia to be restored and granted an Adriatic port; Belgium to be restored in exchange for the return of Germany's colonies; Germany to retain a certain part of Roumania.

The King also stated that it was felt the Allies could not flatly reject these terms on account of public sentiment in Allied countries.

In response to my inquiry concerning guarantees His Majesty stated that Prussian militarism was crushed and that Germany recognized her inevitable defeat.

It may be that His Majesty is to be the medium through which these terms will be offered. The German and Austrian Ambassadors had an audience with the King during the few days immediately preceding my audience. I have no reason to believe that His Majesty has communicated the above information to any of Allied colleagues, though the British Ambassador had an audience a few hours before my audience.

WILLARD

File No. 763.72/6408

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *August 11, 1917, 1 p. m.*
[*Received August 13, 6.45 a. m.*]

1410. I consider article *Münchner Neueste Nachrichten* cited last paragraph my press telegram No. 1403, 10th,[1] of special importance as showing means taken by Government through press to stimulate German people to renewed efforts. Article points out that: (1) Entente and Allies still contemplate at end third year war seizing Alsace-Lorraine and left bank Rhine with suppression of German oversea commerce and military organization; (2) that the honorable peace propositions of Germany have been rejected with scorn; (3)

[1] Not printed.

that almost the whole world including neutrals hypnotized by London which is bent upon war of economic destruction against Germany; (4) that unsuccessful conclusion war means end of German national existence. Article states that German people are threatened with loss spirit of 1914 and with sinking into state of complacency oblivious to national danger and of active campaign and propaganda to enlighten people, see my 1403, 10th.

In view alleged close association *Münchner Neueste Nachrichten* to Berlin Government I feel this article indicates that hereafter it will be effort Government to greatly exaggerate war aims of Germany's enemies and the disaster of German defeat in order to reconcile people to resist to last and to wage defensive war which may last years.

Any renewed public utterance of the President emphasizing distinction already made between German autocratic Government and people and showing that German defeat would not entail annihilation of Germany might nullify success of such propaganda.

STOVALL

File No. 763.72/6435

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *August 13, 1917.*
[*Received August 14, 4.20 p. m.*]

1417. Press reports:

Münchner Neueste Nachrichten reports German Government announces international issue official *communiqué* regarding Emperor's telegram published by Gerard.[1] Paper criticizes sharply delay of Government in replying.

Same paper in front-page two-column editorial repeats appeal for awakening of German people to realization of consequences Entente victory. See my telegrams Nos. 1403 and 1410 of August 10 and 11.[2] Paper states Entente sincerely intends imposing following peace condition on Germany in case of latter's defeat:

Alsace-Lorraine all territory west of Rhine to France and Belgium; Schleswig-Holstein to Denmark; East Prussia to Russia; Posen and West Prussia to Polish Kingdom which will again become Russian dependency; restitution of Hanover as English footstool; transfer of Helgoland; demilitarization of North [Sea]-East Sea canal; enemy control of German economic life; payment war costs

[1] See *Foreign Relations*, 1914, Supplement, pp. 60–61.
[2] No. 1403 not printed.

of all Entente nations; heavy indemnity; sequestration of industry and natural resources; transfer German Navy and merchant fleet and labor of German prisoners in France for rebuilding occupied French territory. Every German must realize terrible fate awaiting him which can only be avoided by inner resoluteness, greatest courage and ability to see clearly the danger.

Austrian press reports, *Neue Freie Presse:* Czernin left for Berlin 9th instant to visit German Chancellor.

Berchthold issues following statement concerning *Times* report, Potsdam *Kronrat* of July, 1914: "I am in position to state this report as well as all implications in it are products of imagination."

Prominence given first page under title "Peace movements in America" to alleged telegram from New York to *Matin* as follows: "By discussions about peace divisions created in United States, Hearst demands congress of nations to put end to war. His opinions supported by pro-Germans and pacifists."

From the *Temps:* "Senator Stone has declared he will support in Senate pacifist movements."

Gazette de Lausanne publishes Berlin telegram stating *Tägliche Rundschau* lays all blame for condition in Poland on Bethmann Hollweg as his weak policy has created strong irredentism in Prussian Poland and Poles will never be satisfied with anything less than restitution of ancient frontiers.

Basler Nachrichten, August 11, reports from Berlin that *Germania*, paper of Center Party in Reichstag, expresses satisfaction with new Government. Only opposition therefore devolves on party of Left and Social Democrats.

National-Zeitung, Basel, August 13, quotes statement of president Hungarian department alimentation that small Hungarian harvest rendered export bread and fodder produce to Germany impossible much as export might be desirable from economic and financial standpoint.

Neue Zürcher Zeitung, August 13, reports from Vienna committee Social Democratic Party declined offer from Minister President Seidler that party be represented in coalition ministry. Party determined reserve freedom of action.

Basler Nachrichten, August 12, quoted Berlin article by member Reichstag that task of Kühlmann will be to remove difficulties resulting from submarine warfare by handling neutrals cleverly. Von Kühlmann well qualified as he has already rendered great services in Holland in this respect.

Basler Nachrichten, August 12, quotes following from *Salzburger Volksblatt:*

The provisionment of the town of Salzburg with the necessary foodstuffs is utterly inadequate and becomes day to day more insufficient because obtainable foodstuffs are bought up by the hotels for the foreigners as under these circumstances the presence of foreigners means serious danger to the native population. Foreigners are herewith earnestly requested to leave Salzburg immediately.

STOVALL

File No. 763.72/6523

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *August 15, 1917, 6 p. m.*

5307. You may confidentially inform British Government that Admiral H. T. Mayo, commander in chief of the Atlantic Fleet, will sail from New York for London on the *St. Louis* on August 18, accompanied by Commander O. P. Jackson, chief of staff, Atlantic Fleet; Lieut. Commander E. J. King, assistant to chief of staff; Lieut. Commander D. C. Bingham, fleet gunnery officer; Lieut. Commander A. B. Cook, flag lieutenant; Lieut. Commander Leigh Noyes, flag secretary; Lieut. H. W. McCormack, fleet radio officer; Naval Constructor W. G. DuBose, fleet naval constructor, and Paymaster J. F. Hatch.

Say to the British Government that the Navy Department is proceeding on the assumption that Great Britain has extended invitations to Italy and France and that their representatives have been designated. The Navy Department hopes that the date of the meeting of the conference [1] will be fixed before the arrival of Admiral Mayo in Great Britain.

LANSING

The Pope's Appeal for Peace, August 1 (Received August 16): Views of the Allied Governments—Appeals of Rumania for Assistance

File No. 763.72119/726

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 15, 1917.*
[*Received August 16, 8 a. m.*]

6959. I received this morning from the Foreign Office a note informing me "that His Holiness the Pope has requested His Ma-

[1] See telegrams No. 5221 to the Ambassador in Great Britain and No. 6861 from the Ambassador, *ante*, p. 151.

jesty the King to forward to the heads of those states with whom the Holy See is not in diplomatic relations the accompanying document addressed to the heads of the belligerent states by His Holiness containing certain proposals for general peace."

Following is the full text:[1]

(French translation)

To the Rulers of the Belligerent Peoples: From the beginning of our pontificate, in the midst of the horrors of the awful war let loose on Europe, we have had of all things three in mind: To maintain perfect impartiality towards all the belligerents as becomes him who is the common father and loves all his children with equal affection; continually to endeavor to do them all as much good as possible, without exception of person, without distinction of nationality or religion, as is dictated to us by the universal law of charity as well as by the supreme spiritual charge with which we have been intrusted by Christ; finally, as also required by our mission of peace, to omit nothing, as far as it lay in our power, that could contribute to expedite the end of these calamities by endeavoring to bring the peoples and their rulers to more moderate resolutions, to the serene deliberations of peace, of a "just and lasting" peace.

Whoever has watched our endeavors in these three grievous years that have just elapsed could easily see that while we remained ever true to our resolution of absolute impartiality and beneficent action, we never ceased to urge the belligerent peoples and Governments again to be brothers, although all that we did to reach this very noble goal was not made public.

About the end of the first year of the war we addressed to the contending nations the most earnest exhortations and in addition pointed to the path that would lead to a stable peace honorable to all. Unfortunately our appeal was not heeded and the war was fiercely carried on for two years more with all its horrors. It became even more cruel and spread over land and sea and even to the air, and desolation and death were seen to fall upon defenseless cities, peaceful villages and their innocent populations. And now, no one can imagine how much the general suffering would increase and become worse if other months or, still worse, other years were added to this sanguinary triennium. Is this civilized world to be turned into a field of death and is Europe, so glorious and flourishing, to rush, as carried by a universal folly, to the abyss and take a hand in its own suicide?

In so distressing a situation, in the presence of so grave a menace, we, who have no personal political aim, who listen to the suggestions or interests of none of the belligerents, but are solely actuated by the sense of our supreme duty as the common father of the faithful, by the solicitations of our children who implore our intervention and peace-bearing word, uttering the very voice of humanity and reason, we again call for peace and we renew a pressing appeal to those who have in their hands the destinies of the nations. But no longer confining ourselves to general terms, as we were led to do by circum-

[1] The text was also transmitted in French. (File No. 763.72119/842.)

stances in the past, we will now come to more concrete and practical proposals and invite the Governments of the belligerent peoples to arrive at an agreement on the following points which seem to offer the bases of a just and lasting peace, leaving it with them to make them more precise and complete.

First, the fundamental point must be that the material force of arms give way to the moral force of right whence a just agreement of all upon the simultaneous and reciprocal decrease of armaments, according to rules and guarantees to be established, in the necessary and sufficient measure for the maintenance of public order in every state; then, taking the place of arms, the institution of arbitration with its high pacifying function, according to rules to be drawn in concert and under sanctions to be determined against any state which would decline either to refer international questions to arbitration or to accept its awards.

When supremacy of right is thus established, let every obstacle to ways of communication of the peoples be removed by insuring through rules to be also determined the true freedom and community of the seas, which, on the one hand, would eliminate many causes of conflict, and, on the other hand, would open to all new sources of prosperity and progress.

As for the damages to be repaid and the cost of the war, we see no other way of solving the question than by setting up the general principle of entire and reciprocal condonation which would be justified by the immense benefit to be derived from the disarmament, all the more as one could not understand that such carnage could go on for mere economic reasons. If certain particular reasons stand against this in certain cases, let them be weighed in justice and equity.

But these specific agreements with the immense advantages that flow from them are not possible unless territory now occupied is reciprocally restituted. Therefore, on the part of Germany, total evacuation of Belgium with guarantees of its entire political, military and economic independence toward any power whatever; evacuation also of the French territory; on the part of the other belligerents, a similar restitution of the German colonies.

As regards territorial questions, as for instance those that are disputed by Italy and Austria, by Germany and France, there is reason to hope that in consideration of the immense advantages of durable peace with disarmament the contending parties will examine in a conciliatory spirit, taking into account as far as it is just and possible, as we have said formerly, the aspirations of the population, and if occasion arises adjusting private interests to the general good of the great human society.

The same spirit of equity and justice must guide the examination of the other territorial and political questions, notably, those relative to Armenia, the Balkan states, and the territories forming part of the old Kingdom of Poland for which, in particular, its noble historical traditions and the suffering particularly undergone during the present war, must win, with justice, the sympathies of nations.

These, we believe, are the main bases upon which must rest the future reorganization of the peoples. They are such as to make the recurrence of such conflicts impossible and open the way for the solution of the economic question which is so important for the

future and the material welfare of all the belligerent states. And so, in presenting them to you who, at this tragic hour, guide the destinies of the belligerent nations we indulge a gratifying hope, that they will be accepted and that we shall thus see an early termination of the terrible struggle which has more and more the appearance of a useless massacre. Everybody acknowledges on the other hand that on both sides the honor of arms is safe. Do not then turn a deaf ear to our prayer, accept the paternal invitation which we extend to you in the name of the divine Redeemer, Prince of Peace. Bear in mind your very grave responsibility to God and man; on your decision depend the quiet and joy of numberless families, the lives of thousands of young men, the happiness, in a word, of the peoples to whom it is your imperative duty to secure this boon. May the Lord inspire you with decisions conformable to His very holy will! May heaven grant that in winning the applause of your contemporaries you will also earn from the future generations the great title of pacificators!

As for us, closely united in prayer and penitence with all the faithful souls who yearn for peace, we implore for you of the divine spirit enlightment and guidance.

Given at the Vatican, August 1, 1917. Benedictus P. M. XV.

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File No. 763.72119/728

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *August 15, 1917, 5 p. m.*
[*Received August 17, 10.40 a. m.*]

1436. Peace talk received an impetus to-day by the announcement that the Swedish Government had invited the neutral countries, including the Swiss, to a conference, the object of which was to examine the conditions of a durable peace. Inquiry at the Swiss Foreign Office in Berne develops the fact that *pourparlers* are going on between Switzerland and Sweden through their Legations in Berlin. The Foreign Minister here says that these conversations are mainly about economic subjects. The President of the Swiss Confederation confirms this idea but incidentally it is believed that the conference will discuss peace also. Switzerland denies she has been formally invited to the conference but admits that conversations are progressing. Foreign Minister Ador expressed to me the belief that peace talk is not out of place at this time. The Italian Minister and French Ambassador in Berne this afternoon did not seem to attach much importance to the so-called Swedish conference nor even to the rumored intervention of the Pope. This is regarded rather as a sentimental than as a serious movement for peace.

STOVALL

File No. 763.72119/737a

The Secretary of State to the Diplomatic Representatives in Allied Countries [1]

[Circular telegram]

WASHINGTON, *August 18, 1917, 4 p. m.*

Please ascertain as promptly as possible the views of the Government to which you are accredited in regard to the Pope's recent peace communication. The above information is desired by the President. Cable reply, which will be treated as strictly confidential.

LANSING

File No. 763.72119/768½

The French Ambassador (Jusserand) to the Secretary of State

WASHINGTON, *August 18, 1917.*
[*Received August 19.*]

MY DEAR MR. SECRETARY: As I told you when I saw you this morning my Government would like to know whether, in the opinion of the President, the Pope's note, drawn up, as it seems to have been, under inimical influences, demands an answer.

If the President thought it better to send one, my Government consider it would be appropriate to concert as to what should be said, so that a similar attitude be observed by those who fight on the same side of the trench.

I should be much obliged if you would enable me to inform my Government of the President's views in the matter.

Believe me [etc.] JUSSERAND

File No. 763.72119/738

The Minister in Belgium (Whitlock) to the Secretary of State

[Telegram]

HAVRE, *August 20, 1917, 3 p. m.*
[*Received 9.30 p. m.*]

83. De Broqueville has taken Pope's peace message to the front to submit it to the King to-night. The response will be negative. While Belgium of course will be guided by the decision of London, Paris, and Washington, the opinion in Government circles is wholly against any peace negotiation on any bases that do not fully meet the aspirations of the Allied powers and involve destruction of power of

[1] Also to the Chargé in Siam, the Chargé in Rumania, and the Special Agent in Corfu, Aug. 20, 4 p. m. (File No. 763.72119/742a.)

Prussian militarism caste and this I am sure is the opinion of the people in Belgium who have had to endure all that the other belligerents endured and the German yoke besides. Before I left Belgium, people from all classes told me to say that they wanted no peace that did not respond to the aspirations of free men.

WHITLOCK

File No. 763.72/6536

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *August 12, 1917.*
[*Received August 21, 2.45 a. m.*]

Inform Department that I have received official information that the Ministry for Foreign Affairs and Diplomatic Corps will leave towards the end of the week for Kherson, Russia. This is merely a measure of precaution. It is expected that most of the Government will remain at Jassy.

ANDREWS

File No. 763.72119/710a

The Secretary of State to President Wilson

WASHINGTON, *August 21, 1917.*

MY DEAR MR. PRESIDENT: The Russian Ambassador called to see me Monday afternoon [1] to ask me as to the attitude of this Government toward the Pope's appeal. I told him that the communication was still under consideration and I did not feel warranted in expressing an opinion at the present time. He said that he was disappointed because his Government had telegraphed to ask him to inquire, because it was desirous to act in a similar way if possible.

I agreed that similar but independent action seemed wise, and asked him if his Government had indicated its views as to the appeal. He said that it had and that the terms proposed were unsatisfactory as they provided for a peace with the military autocracy of Germany, the overthrow of which was the supreme object of the war and the essential thing for perpetual peace and the safety of democracy. He then asked me to convey this information to you.

Faithfully yours,

ROBERT LANSING

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[1] Aug. 20.

File No. 763.72119/749

The Chargé in Italy (Jay) to the Secretary of State

[Telegram]

ROME, *August 21, 1917, 1 p. m.*
[Received August 22, 1.20 a. m.]

1062. Department's confidential circular regarding Pope's peace note received to-day via Paris. Have just had interview with the Minister for Foreign Affairs whom I informed of President's desire that his views would be considered confidential. Baron Sonnino said substantially as follows:

Note should not be taken too seriously, Italian Government thinks less hurry [required?], waiting to see trend of public opinion in Italy and elsewhere and if a reply must be given will previously consult Allies. Move evidently instigated by Germany and carried to Vatican through Austria, Empress of Austria being friend of Pope. Pope himself is possibly unconsciously being made use of. Note is vague and gives no basis of negotiation with Italy. Austrian press now allowed to declare Austria can [omission] mutual interest. Note creates difficulty with Catholic Party in Italy which is steadily taking greater part in internal affairs, and is also an attempt to steal effect of possible Socialist success in Stockholm peace move and to depress public towards inevitable winter campaign. Question of reply especially difficult for Italy in view of her relations with Vatican.

Baron Sonnino has the personal impression that a good firm reply drawn up by President sent in advance of the other Allied replies would greatly impress public opinion especially in view of our previously well-known desire for peace.

I asked him twice if I could telegraph the above paragraph regarding our replying first. He agreed, repeating they were his personal views.

JAY

File No. 763.72119/748

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 21, 1917, 5 p. m.*
[Received August 22, 3.30 a. m.]

6996. My 6990 of to-day.[1] Following is the text of the cipher telegram which Mr. Balfour has just dispatched to Count de Salis, the British Minister to the Holy See:

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[1] Not printed.

You should take a convenient opportunity of pointing out to the Cardinal Secretary of State that we have not yet had an opportunity of consulting our allies on the subject of the Pope's note and are therefore not in a position to say what reply if any could usefully be sent to his suggestion as to the terms on which a durable peace might best be secured. You should add that in our opinion no progress is likely to be made until the Central powers and their allies have officially announced the objects for which they are carrying on the war, the measure of restoration and reparation which they are prepared to concede, and the methods by which the world may be effectively guaranteed against any repetition of the horrors from which it is now suffering. Even as regards Belgium where they have owned themselves a great wrong we have no clear intimation of their intention either to restore its complete independence or to repair the injuries which they have inflicted upon it. His Eminence will doubtless have present to his mind the statements which the Allies made in reply to President Wilson's note.[1] No corresponding statements have been issued either by Austria or Germany and it seems to us useless to attempt to bring the belligerents into agreement until we know clearly the points on which they differ. I assume that you have a copy of the joint reply of the Allies to President Wilson [2] and of the despatch on the same subject which I wrote on January 7.[3] If not I will at once send you copies for convenience of reference.

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File No. 763.72119/745

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *August 21, 1917, 6 p. m.*
[*Received August 22, 10.15 a. m.*]

393. For the President:

Your circular of August 18, 4 p. m. Venizelos informs me he has not seen authoritative statement of terms of peace made by the Pope. He has not observed in the press version any definite provision for restoring Servia, but even granting independence of Poland, restoration of Belgium and some compromise with France concerning Alsace-Lorraine, peace on these conditions would leave Germany substantially triumphant giving Germany a clean sweep of power through the Balkans to Bagdad. Such a peace would be disastrous to the Entente Cordiale.

DROPPERS

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[1] For President Wilson's note, see *Foreign Relations*, 1916, Supplement, p. 97.
[2] Supplement 1, p. 6.
[3] Not printed.

File No. 763.72119/744

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *August 21, 1917.*
[*Received August 22, 2.10 a. m.*]

1236. Wolff Bureau reports Reichstag committee met to-day and Chancellor made speech of which summary is to follow. After speech committee decided to consider Pope's peace proposal first and other questions of foreign politics later. Social Democrats stated that they welcomed Pope's proposal as they welcomed every step bringing peace nearer especially as they expected good results from Pope's action. Progressives declared agreement with Chancellor in sympathetic attitude towards Pope's manifesto; Center also approved Chancellor's declaration regarding Pope's message and perceived in action of Pope, whose impartiality is apparent to world, a considerable advancement towards peace desired by all peoples.

LANGHORNE

File No. 763.72119/750

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *August 22, 1917.*
[*Received 3.30 p. m.*]

1237. Supplementing 1236. Chancellor read telegram showing military successes on all fronts, submarines contributing their share. Military situation never so favorable as at beginning fourth year, submarines sank 811,000 tons July. Incomprehensible in view Germany's successes and Allies' failures why Entente never broached peace. He referred Franco-Russian secret treaty and statement member English Cabinet no peace before German armies thrown across Rhine and furnished following additional material concerning war aims Allies. September 7, 1914, coalition agreed conclude peace only in common; March 3, 1915, Russia laid down following peace terms adhered to by England in note March 12 and France in note same date. Russia takes Constantinople with European shore [of] Straits, southern part Thrace to line Enos-Midia; the islands [of] Marmora Sea; islands of Imbros and Tenedos; in Asia Minor, peninsula between Black Sea, Bosporus and Gulf of Ismail [*Ismid*]. In later negotiations 1915–16 Russia took Armenian vilayets, Trebizond and Kurdistan; France took Syria with Adana and Mersina, and northward hinterland to Sijos [*Sivas*] and Kopput [*Harput*];

England was to have Mesopotamia; rest Asia Minor divided into English and French zones of interest; Palestine internationalized; all other territory inhabited by Turks and Arabs including Arabia and Mohammedan holy sites to form separate federation under English sovereignty. French negotiations opened when Italy entered war and demanded share booty, details will be published later. In view such plans readily understood why Balfour stated recently detailed statement war aims inadvisable. Chancellor said Germany would consult her allies before replying Pope's proposal which was looked upon with sympathetic approval but Germany couldn't again offer peace in view summary rejection previous proposals, and continued declarations Entente no peace possible until Centrals crushed. No steps would be taken in peace action without consulting Reichstag. LANGHORNE

File No. 763.72119/752

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *August 21, 1917, 11 p. m.*
[*Received August 22, 5.40 p. m.*]

2407. Your circular of August 18, 4 p. m. In a conversation with Mr. Ribot, at which Mr. Cambon was present, I was informed that instructions had been cabled over to Mr. Jusserand at Washington to ascertain the President's attitude upon the peace communication of the Pope and that this request had been repeated a second time.

Mr. Ribot started out by saying that the French Government felt that, before expressing its own views, the British Government should be first sounded as to its attitude and that the latter might in fact, in the position to be taken by it, be regarded as representing the views of the European Allies upon that question.

He expressed further the belief that the Pope's communication was so lacking in specific recommendations, not alone in so far as France was concerned as to the restoration of Alsace and Lorraine, but also as to the question of reparation for losses, that a good deal of thought would have to be given to its answer.

In any event it was the opinion of both Mr. Ribot and Mr. Cambon that there should be a complete accord among the Allies in making their answer. They say that they would appreciate very much if I would express their desire that the President would first communicate his own views to them so that there might follow an exchange

of opinion between them to the end that such accord might be arranged. Mr. Ribot said that it was obvious that even among the European Allies there might result some difference of opinion upon some of the points that might be made in answer on account of the different interests, that he could see that this might be especially true in the present as it applied to the opinion of the United States compared to the views of some of the Allies.

Notwithstanding this view of the matter the question was presented as to whether it might be possibly thought best for the Allies to join together in making their answer.

I gather from the attitude of both Mr. Ribot and Mr. Cambon that they felt it especially desirable to get each of the Allies' views before the formal declaration by any one of them should be made. Mr. Ribot was rather cautious and reserved in expressing his own views. However, on seeing Mr. Cambon alone this afternoon, he stated that since seeing me, in reference to the communication of the Pope, he had had word from the Chargé d'Affaires of the French Government in London stating that Mr. Balfour had just informed him that, inasmuch as the German Chancellor at Berlin, Mr. Michaelis, was expected to-day to discuss the subject before the Reichstag, he thought it would be wise to wait until that speech had been made before undertaking to formulate their own reply. Mr. Cambon who has always been quite free in frankly expressing his own views to me upon various matters discussed between us from time to time, told me that he felt quite confident that the Pope was not alone actuated by a desire to help Austria in issuing the communication, but that it was primarily to strengthen his own power and that of the Catholic Church. Incidentally in that connection he expressed the opinion that the Pope's authority as well as the cause of Catholicism would be rather strengthened by the severance of relations between the State and the Church, such as existed in both the United States and France.

Mr. Cambon further asserted that the French Government could not favorably consider the Pope's appeal. This attitude is certainly voiced by substantially all the papers in Paris which characterize the communication as not only too vague in its declarations but as unjust in denying reparation for the great damage wrought by Germany upon the territory of the Allied countries which its armies have invaded.

SHARP

23581—32——16

File No. 763.72119/753

The Minister in Belgium (Whitlock) to the Secretary of State

[Telegram]

HAVRE, *August 22, 1917, 7 p. m.*
[*Received 9.10 p. m.*]

84. De Broqueville, Minister for Foreign Affairs, has returned from the front where he has been in consultation with the King concerning the Pope's appeal. They have prepared a preliminary note which De Broqueville showed me, acknowledging the reception of the appeal. It will be sent to Rome to-morrow. It expresses the warm gratitude of the Belgian Government for the Pope's interest in Belgium and states that Belgium is at war to protect her sovereignty and independence and to lend her aid in enforcing universal respect for the "highest moral principles of international law" and that with these ends in view the Government will carefully study the Pope's proposals before making a final answer.

In the meantime the Belgian Government has asked the opinion of the English and French Governments in their capacity of guaranteeing powers as to whether the reply should be made conjointly or separately. England has answered favoring separate replies while France suggests a joint reply. De Broqueville says that the King and he agreed that the Belgian Government should look especially to President Wilson for guidance feeling that in him their nation has a disinterested friend with an instinctive understanding of Belgium's needs and aspirations and that he has the moral vision that the situation demands. The Belgian Government would therefore like to be advised of the President's views and to have his suggestions as to the nature and form of the reply eventually to be made.

WHITLOCK

File No. 763.72/6592

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 24, 1917, 3 p. m.*
[*Received 5.15 p. m.*]

7021. Your 5307, August 15.[1] Foreign Office informs me the date on which it is suggested that the conference should meet is September 4.

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[1] *Ante*, p. 161.

File No. 862.00/172

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *August 24, 1917.*
[*Received 9.45 p. m.*]

1249. German press summary:

Late evening edition *Berliner Lokal-Anzeiger*, Wednesday, announced break between Reichstag Majority and Chancellor.

Berliner Tageblatt comments: Wednesday's session Reichstag committee incident occurred in afternoon which caused considerable excitement. Political significance this incident unmistakable as it testifies to Reichstag feeling. Chancellor, who Tuesday said Pope's note would be answered in close cooperation with Reichstag, Wednesday repudiated Reichstag Majority, deferring to wishes Pan-Germanists, Industrists, etc. He said he had never declared that he stood on ground of Majority peace resolution and believed there were differences of opinion even between Majority parties concerning meaning resolution. Majority parties protested most vigorously against this statement Chancellor. The official report given to press leaves out this statement which makes what followed almost unintelligible. Pause for lunch followed Chancellor's speech. During recess Majority parties formulated following declaration: (1) In preliminary negotiations between parties and Chancellor concerning peace resolution July 19,[1] none of parties could assume from statements made that Chancellor would not stand on ground Reichstag resolution; (2) Chancellor's remark differences opinion among representatives Majority concerning meaning resolution is incorrect. All party representatives concerned were completely in accord as to unequivocal meaning and contents their resolution. After recess Michaelis retracted and said answer to Pope could only be imbued with endeavour for peace or compromise and as expressed in Reichstag's peace resolution. Declaration of Majority parties was nevertheless read by Socialist Ebert. Chancellor does not seem to realize damaging effect his vacillation. Whole incident shows Michaelis lacks necessary authority. Despite his good qualities he is handicapped by whole history his appointment and choice of collaborators without consulting wishes Reichstag, thus his position has been untenable from beginning. Whether Reichstag votes measures for parliamentarization or not, fact remains no Chancellor and no government can work effectively which is appointed without consent Reichstag. Crisis and conflicts will never cease as long Chancellor and ministers are sought from uncontrollable higher spheres and un-

[1] See telegram No. 1252, July 20, from the Minister in Switzerland, *ante*, p. 139.

loaded on Reichstag. It is duty of Reichstag to break with principle bureaucratic absolutism.

Berliner Neueste Nachrichten says speech Erzberger's in committee upholding peace resolution brought on conflict.

Vorwärts writes jingoes tried to make Bismarck out of Michaelis and break Reichstag Majority. Incident in committee now assumed to be settled but what is German people to think of new Chancellor? How is distrust already existing and accentuated by painful incident to be overcome? German people demand real leader as Chancellor. Second statement Michaelis shows he does not want conflict with Reichstag Majority, jubilation jingoes was therefore premature. Break between Chancellor and Reichstag as announced by *Lokal-Anzeiger* can only mean either the Majority or Chancellor is broken and if Majority stands fast it can only mean the Chancellor is broken.

Vossische Zeitung writes lesson from committee meeting is that Reichstag Majority must assume responsibility for Germany's policy so that no one at home or abroad may think Chancellor is buffet [*puppet of?*] uncontrollable forces.

Berliner Lokal-Anzeiger writes Majority parties seem to consider peace resolution sort of creed which Government must acknowledge word for word, letter for letter. Chancellor greedy, wished to reserve necessary freedom action for peace negotiations. Uncompromising attitude Majority parties makes new friction probable. This is very regrettable in view evident wish Government establish close relations with Reichstag.

Berliner Tageblatt reports Michaelis invited party leaders conference on coming regulation question Alsace-Lorraine in spirit Majority parties.

Münchner Neueste Nachrichten reports from Strassburg early change administration Alsace-Lorraine. Expected Reichsland to be changed into duchy. Member of house of Urach spoken of as regent.

Wolff [1] telegram reports Michaelis ordered headquarters.

Kölnische Zeitung complains utterly inadequate reports given out on Reichstag committee proceedings. Impossible for readers to form true judgment what goes on. Something is radically wrong, Government does not understand how to use press. Government, Parliament, and press should work hand in hand if country is to prosper.

LANGHORNE

[1] Wolff's Telegraph Bureau.

File No. 763.72119/762

The Minister in Belgium (Whitlock) to the Secretary of State

[Telegram]

HAVRE, *August 24, 1917, 1 p. m.*
[*Received August 25, 4.20 a. m.*]

85. My telegram August 22, 7 p. m. The Belgian Government's note to the Pope, of which I was shown a copy the other day by De Broqueville, was altered by the King personally before it was sent and in its final form is neither as long nor quite as cordial as it was originally. It goes to Rome to-day and the following is a translation of its French text:

The Government of the King has had the honor to receive the message by which the Holy Father has presented to the chiefs of the belligerent peoples his views as to the basis on which should repose the reorganization, the future relations between the nations now at war. It will study with the greatest deference the propositions which the pontifical document sets forth in such elevated terms. The Government of the King is pleased to find there a new testimony which it highly values of the especial interest which the Holy Father has for the Belgian nation so cruelly and so unjustly afflicted by the war that desolates the world; it is happy to be able to express to him its lively and profound gratitude.

WHITLOCK

File No. 763.72119/767

The Ambassador in France (Sharp) to the Secretary of State

[Telegram—Extract]

PARIS, *August 24, 1917, noon.*
[*Received August 25, 9.20 a. m.*]

2413. For the President:

Further referring to the Department's circular of 18th instant[1] and my 2407 of the 21st instant,[2] concerning the Pope's peace offering. At the Foreign Office yesterday afternoon, I was informed by Mr. de Margerie, director of political affairs, that a telegram had been received from French Ambassador Petrograd to the effect that Tereshchenko, the Minister for Foreign Affairs, had just announced to him his disapproval of the communication of the Pope and had referred to it in most bitter terms. That this, the French Government, is very unfavorable to it the chief reasons being that the Pope in no instance recognizes the difference, from a moral standpoint, between the aggressor and those who have been so

[1] *Ante*, p. 165.
[2] *Ante*, p. 170.

grievously wronged and that to accept a peace on the general principles proposed by the Pope would be to allow an enemy to remain substantially in full possession of his [army?] and resources which would offer the temptation at an opportune moment to renew hostilities against the weakened countries of the smaller and less powerful Allies.

The fact that so much was left unsaid in the appeal as to defining and confirming the rights of these smaller powers also condemned it. The opinion was expressed that the overture was chiefly made through the solicitation of the Austrian Government; that the Emperor and Empress are very devoted Catholics and would naturally feel an additional interest in having the Pope make an intercession in addition to the fact that the very serious economic conditions of that country were well known. The opinion was further expressed that the German Government would never offer any definite terms of peace until forced by arms to do so, but, that consistent with its practice in the past, it would seek to draw out expressions from the Allied powers, from which course it might gain some possible advantage.

Incidentally much importance is attached to the recent publication of the White Book at Athens in which is quoted the message of the Kaiser to King Constantine showing that as early as August 4 an understanding and alliance had been made by Germany with Turkey. In this connection Mr. de Margerie told me that he had in his possession a letter from the Turkish Minister then in Paris under date of August (14?), as I remember, stating that his Government would observe strictest neutrality and enter into no hostile alliances. A Paris press report from Zürich says that—

the new Chancellor's statement repudiating the peace resolution of July 19 caused a foreboding sensation in parliamentary circles. There is some talk about a new [ministerial] crisis. The Chancellor is accused of being an extreme reactionary and of having insulted the Reichstag after duping the party leaders who had entered into negotiations with him upon the subject of the peace resolution.

Very bitter comments by the Berlin press are reported in that dispatch. Judging from their character, I would say that the new Chancellor's career will be anything but wise and helpful to Germany.

The following quotations from leading Paris newspapers upon the German Chancellor's speech before the Reichstag may be taken as fairly typical of the sentiments of the French people. . . .

. . . . . .

SHARP

File No. 763.72/6602

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *August 17, 1917, 11 p. m.*
[*Received August 26, 4 p. m.*]

118. Ministers of France, England, Italy, Russia, and myself are sending following identical telegram:

The Prime Minister held a meeting to-day of the above representatives as well as the Chargé d'Affaires of the United States. He stated that after violent prolonged struggle which Roumanian Army, already seriously impaired, is sustaining it will need all help of the Allies to reconstruct itself either in Roumania or here. He asked us to address an urgent appeal to our Governments to obtain their unlimited help, which will manifest inter-Ally spirit, of [*and?*] especially indicated facilities by which Roumania could procure war materials from the United States via Vladivostok. The Allied representatives rendering homage to the heroism of the Roumanian Army and recognizing utmost of its present sacrificing for the common cause urgently [recommend that their Governments] come to an understanding regarding aid to be given for which specific request will be formulated by the military authorities.

The Prime Minister in inviting the Chargé d'Affaires of the United States to join the four representatives of the above powers showed that he realized not only the part that power is in position to play in the reconstruction of the Army but also of a friendly interest in her representative in Roumania and which manifested itself especially by recent visit General Scott's mission.[1]

ANDREWS

The President's Reply, August 27, to the Pope's Appeal for Peace—The Serbian Special Mission; the Question of Receiving a Yugoslav Delegation—The Mission of Lord Reading—Semiofficial Overtures for Peace

File No. 763.72119/726

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *August 27, 1917, 5 p. m.*

5348. Your 6959, August 15.[2] Please decipher the following communication and send two copies of it to Mr. Balfour, asking him to retain one for himself and to be good enough to transmit as soon as possible the other to His Holiness the Pope, for the President, as there is no papal legate accredited to the United States. Please expedite. The following is the full text:

To His Holiness, Benedictus XV, Pope: In acknowledgment of the communication of Your Holiness to the belligerent peoples, dated

[1] See the Chargé's telegram No. 90, July 6, *ante*, p. 130.
[2] *Ante*, p. 161.

August 1, 1917,[1] the President of the United States requests me to transmit the following reply:

Every heart that has not been blinded and hardened by this terrible war must be touched by this moving appeal of His Holiness the Pope, must feel the dignity and force of the humane and generous motives which prompted it, and must fervently wish that we might take the path of peace he so persuasively points out. But it would be folly to take it if it does not in fact lead to the goal he proposes. Our response must be based upon the stern facts and upon nothing else. It is not a mere cessation of arms he desires; it is a stable and enduring peace. This agony must not be gone through with again, and it must be a matter of very sober judgment what will insure us against it.

His Holiness in substance proposes that we return to the *status quo ante bellum*, and that then there be a general condonation, disarmament, and a concert of nations based upon an acceptance of the principle of arbitration; that by a similar concert freedom of the seas be established; and that the territorial claims of France and Italy, the perplexing problems of the Balkan states, and the restitution of Poland be left to such conciliatory adjustments as may be possible in the new temper of such a peace, due regard being paid to the aspirations of the peoples whose political fortunes and affiliations will be involved.

It is manifest that no part of this programme can be successfully carried out unless the restitution of the *status quo ante* furnishes a firm and satisfactory basis for it. The object of this war is to deliver the free peoples of the world from the menace and the actual power of a vast military establishment controlled by an irresponsible government which, having secretly planned to dominate the world, proceeded to carry the plan out without regard either to the sacred obligations of treaty or the long-established practices and long-cherished principles of international action and honor; which chose its own time for the war; delivered its blow fiercely and suddenly; stopped at no barrier either of law or of mercy; swept a whole continent within the tide of blood—not the blood of soldiers only, but the blood of innocent women and children also and of the helpless poor; and now stands balked but not defeated, the enemy of four-fifths of the world. This power is not the German people. It is the ruthless master of the German people. It is no business of ours how that great people came under its control or submitted with temporary zest to the domination of its purpose; but it is our business to see to it that the history of the rest of the world is no longer left to its handling.

To deal with such a power by way of peace upon the plan proposed by His Holiness the Pope would, so far as we can see, involve a recuperation of its strength and a renewal of its policy; would make it necessary to create a permanent hostile combination of nations against the German people, who are its instruments; and would result in abandoning the new-born Russia to the intrigue, the manifold subtle interference, and the certain counter-revolution

[1] *Ante*, p. 162.

which would be attempted by all the malign influences to which the German Government has of late accustomed the world. Can peace be based upon a restitution of its power or upon any word of honor it could pledge in a treaty of settlement and accommodation?

Responsible statesmen must now everywhere see, if they never saw before, that no peace can rest securely upon political or economic restrictions meant to benefit some nations and cripple or embarrass others, upon vindictive action of any sort, or any kind of revenge or deliberate injury. The American people have suffered intolerable wrongs at the hands of the Imperial German Government, but they desire no reprisal upon the German people, who have themselves suffered all things in this war, which they did not choose. They believe that peace should rest upon the rights of peoples, not the rights of governments—the rights of peoples great or small, weak or powerful—their equal right to freedom and security and self-government and to a participation upon fair terms in the economic opportunities of the world—the German people of course included, if they will accept equality and not seek domination.

The test, therefore, of every plan of peace is this: Is it based upon the faith of all the peoples involved or merely upon the word of an ambitious and intriguing government, on the one hand, and of a group of free peoples, on the other? This is a test which goes to the root of the matter; and it is the test which must be applied.

The purposes of the United States in this war are known to the whole world—to every people to whom the truth has been permitted to come. They do not need to be stated again. We seek no material advantage of any kind. We believe that the intolerable wrongs done in this war by the furious and brutal power of the Imperial German Government ought to be repaired, but not at the expense of the sovereignty of any people, rather in vindication of the sovereignty both of those that are weak and of those that are strong. Punitive damages, the dismemberment of empires, the establishment of selfish and exclusive economic leagues, we deem inexpedient and in the end worse than futile, no proper basis for a peace of any kind, least of all for an enduring peace. That must be based upon justice and fairness and the common rights of mankind.

We can not take the word of the present rulers of Germany as a guarantee of anything that is to endure, unless explicitly supported by such conclusive evidences of the will and purpose of the German people themselves as the other peoples of the world would be justified in accepting. Without such guarantees treaties of settlement, agreements for disarmament, covenants to set up arbitration in the place of force, territorial adjustments, reconstitutions of small nations, if made with the German Government, no man, no nation could now depend on. We must await some new evidence of the purposes of the great peoples of the Central Empires. God grant it may be given soon and in a way to restore the confidence of all peoples everywhere in the faith of nations and the possibility of a covenanted peace!

LANSING

File No. 763.72119/772

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *August 24, 1917, 7 p. m.*
[*Received August 28, 6 a. m.*]

1660. Answering confidential circular August 18, received 21st.[1] Minister for Foreign Affairs says French and Italian Ambassadors favor no reply to the Pope's note, British Ambassador disagrees but considers haste unnecessary. Russia feels no reference to her in note is excuse for no reply, but one probably will be made after conferring with Allies, and if so, Minister for Foreign Affairs thinks that will be firmly negative.

[Francis]

File No. 763.72119/776

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *August 27, 1917, 2 p. m.*
[*Received August 28, 12.30 a. m.*]

2428. For the President:

This afternoon I have received the following communication from Mr. Pashitch, Minister for Foreign Affairs of the Servian Government, now resident in Paris:

The Chargé d'Affaires of the Government of the United States having communicated to me the desire of the President of the United States to be informed of the opinion of the Servian Government relative to the recent papal peace communication, I hasten to send you the enclosed note requesting that you kindly forward it to His Excellency the President.

Translation of the note accompanying the above letter reads as follows:

The appeal of His Holiness the Pope for the conclusion of peace between the belligerents could not in our opinion serve as basis of discussion of conditions for a future peace for the following reasons: His Holiness the Pope makes no distinction between those who provoked this horrible and disastrous war and those who are its victims. Similarly His Holiness the Pope makes no mention of the principle of liberty and of the right of each nation to dispose of its own lot, a principle which would allow peoples oppressed and entangled under the yoke of dynasties either by matrimonial combinations or by the toiling of international conventions to liberate themselves and to live freely. The stability of future peace could

[1] *Ante*, p. 165.

be assured only by the liberty and equality of all peoples and by a real sanction of the decision of an international tribunal which should watch over the safety of the entire world. Servia and the Servian people who were unjustly attacked by Austria-Hungary, the advance guard of Germany in her penetration towards the Orient, were not even mentioned in the pontifical appeal, which deals however with other questions, very interesting and useful from the international point of view, but having a lesser importance.

Again, the peace proposition of His Holiness passes under silence all Yugoslavs other than the Serbs; nor does it mention the Czechs and the Slovaks, Servian [*Slavic?*] peoples enslaved to the interests of the Hapsburg dynasty and thereby to the interests of Germany in her policy of imperialism and conquest.

For all these considerations, the Servian Government and people, who gave so many proofs of their pacifism and their great love for peace at the time of the Austrian ultimatum, when they accepted all the conditions laid down by Austria-Hungary which were compatible with the dignity of an independent state, find it impossible to give their consent to the last pontifical note.

SHARP

File No. 763.72119/783

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 30, 1917, noon.*
[*Received 4.10 p. m.*]

7060. The reception of the President's answer to the Pope by the Government, the press, and, so far as I can yet tell, by the whole British public, is more enthusiastic than the reception of any previous declaration with the exception only of the President's speech asking Congress to declare war. It meets with universal enthusiastic approval.

PAGE

File No. 763.72/6662

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *August 30, 1917, 10 a. m.*
[*Received 6.45 p m.*]

692. Swedish Chargé d'Affaires, Constantinople, states that—

It appears that the activity of the commission of which ex-Ambassador Morgenthau is the head has created a feeling of uneasiness in Ottoman Government circles as well as among the Jews in this country. It is rumored that the said commission is endeavoring to obtain the political independence of Palestine for the Jews. The

local press has published statements from the various Jewish committees and organizations in [Turkey] to the effect that the Jews of Ottoman nationality remain loyal to the local government and that they have always been faithful to their duties as loyal subjects of the Empire. It is possible that these rumors unless denied may have unpleasant results in so far as Americans in Turkey are concerned.

The foregoing is submitted to the Department of State for such action as it may deem necessary.

MORRIS

File No. 763.72119/794

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *August 31, 1917, 12 p. m.*
[*Received September 1, 3.50 p. m.*]

For the President:

May I heartily commend your answer to the Pope's peace note published in the Paris press to-day. It has met with general approval not only in editorial comment but in the expression of opinion of the people. There is common accord that the views therein expressed are thoroughly representative of those held by the Allied powers, and they are especially welcomed at this time as forecasting the nature of conditions upon which a satisfactory and permanent peace can only come.

The strength of the document lies in the fact that all the assertions made are unassailable in their absolute truth, and to those, like myself, who have lived for the past three years within the sound of their cannon, the indictment against the brutality of the German hosts lashed on by fear of disobedience to the Imperial command is no less true than it is justly merited. The entire frankness with which the attitude of our Government is expressed towards the Pope's appeal and the rare discernment with which you have laid bare the real situation which exists in war-cursed Europe should make a deep impression upon those whose compassionate desire for peace has blinded them to the dangers which you so clearly point out as inevitably to follow unless its foundations be established in freedom and justice. Indeed, it is my prophecy that by your words of yesterday you have rendered an inestimable service to mankind in not only pointing the way but hastening the day of the accomplishment of this universally desired end. To those who will but see, the doorway has been left wide open.

The answer is altogether admirable both in its felicity of expression and the comprehensive way in which the great questions involved are discussed.

SHARP

File No. 763.72119/799

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *August 30, 1917, 8 p. m.*
[Received September 2, 12 noon.]

1684. Petrograd telegram agency prints telegram from Zürich dated 29th that President Wilson will state objects of war by Allies and make last attempt for conciliation and, if fails, markets of the world will be closed to Germany for ten years after war by Allies and America. What foundation?[1] Such reports harmful in Russia if untrue. FRANCIS

File No. 763.72119/797

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *September 2, 1917.*
[Received September 3, 12.10 a. m.]

1293. German press summary:

Kölnische Zeitung. Inspired article [says] gruffness Wilson's reply to Pope will surprise and perhaps incense Catholic voters who regardless of feelings towards Central powers must have expected President deal with Pope in different manner. For the rest this document of new American policy can be filed away after disclosures concerning Entente treaties for dismemberment Germany, Austria and Turkey and after testimony in Sukhomlinov trial. Charge of German secret plot world domination is so grotesque that refutation superfluous. There is no discussing such humbugs as this. Sukhomlinov's confession shows untiring efforts German Emperor for peace till last minute; in view this and the showing of great democracies as enemies of peace and oppressors of small free European nation Wilson might have saved himself trouble sowing seeds distrust against German monarchy.

Freisinnige Zeitung. Wilson talks like hostler in insolent language. His declaration no punition, no dismemberment empires, no economic war surprising since it completely conflicts with war aims of rest of gang with which hypocritical peace apostle and war demagogue has allied himself.

Germania. Not long ago President made several proposals for settlement World War and prevention future wars which were so reasonable, humane and just that Pope adopted them in his proposal and now President proclaims no peace with Prussian autocracy as though he had never wanted to mediate.

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[1] Answered Sept. 7, No. 1685: "No foundation whatever for report."

Börsen-Zeitung writes: It is certain German people furnished guarantee that promises its Government are promises German people.

Berliner Tageblatt. No dismemberment of empires, principle conflicts with war aims Entente and is not well received in French press. Anglo-Russian view of peace makes democratization of Germany which we also desire but consider our internal affair as barred to foreigners precondition of peace, whereas France wants booty and is unwilling negotiate with any German régime whatever. American Government refuses believe present German régime affords permanent guarantees for adjustment.

Deutsche Tageszeitung. Reventlow calls note appeal to Reichstag Majority to help conquer and ruin heretofore unconquered German Empire; America wants help. Erzberger and Scheidemann in unrolling question constitution of Empire knowing this means a movement which would soon attain what world of enemies unable accomplish our enemies are backing up pseudo-Majority.

Vorwärts. American note is careful and shrewd document; quite true that German people did not want war and suffered much during it; apprehension of worse lot keeps it awake in self-defense, and that alone; though it may be said of others hundred times they attacked to conquer, the German people is fighting only to defend itself. American Government owes proof its assertion cherishes no enmity against German people; proof can only be given by plain statement German people shall not be robbed or made pay tribute enemies. American note passes over this point of decisive importance for German people, neither supports nor disavows Allies' desires conquest and indemnity; Wilson clearly refuses negotiations with Germany as long as present system Government exists, demanding guarantees. Will of German people behind treaty with German Government; part of German press will hasten asseverate would be unworthy German people give such guarantees; we, however, believe it would be unworthy to refuse them. German people fighting this severest of all battles not for rights single families, not for certain form Government, but for its own existence; in this sense alone socialists support defense of country. Socialists refuse use means in their efforts for constitutional changes which might weaken defensive power of country but do not cease these efforts. Insupportable to think men in trenches fighting not for preservation of Empire, but preservation conditions unworthy of preservation or that one son should fall not for rights of the people but for privileges some few existing nowhere else in world. Examination world map shows everywhere monarchies and republics where decision of policy in hands people chosen by people. Why cannot it be thus in Germany after this year's war? [President] tells us it must be thus if we

want peace; possibly this is mere pretext, but pretext so cleverly chosen that only deeds not phrases will meet it. It is mere phrase to say we cannot permit enemy interference in our internal affairs or that enemy wants us democratized to undermine our best strength; Government of country warring with us has perfect right demand peoples themselves assume guarantee for conditions under which peace concluded. For socialists it is matter of course Government concluding peace incorporate people's will and enjoy their confidence. Argument that Germany could not stand democracy powers is unsound; organization and self-discipline German people eminently qualify it for democratic régime. Military efficiency would not suffer and wise foreign policy would be [strengthened]. American Government expresses readiness in principle negotiate with duly accredited representatives of will German people. German Reichstag is accredited representative German people and is elected by democratic suffrage. What is needed is Government really responsible to people's representatives. Shall we Germans let it be said negotiations with us impossible because we are nation of helots incapable asserting its own will? Deserve we this after years of trial and battle deeds and sacrifice without measure or number? Shall any one of us stand as sentinel before barbed-wire entanglements and think that all this were no longer necessary if we only adapted ourselves to form government of all rest of world? Those who hold fate German people in their hands should answer this question with their own conscience. In war no people even if democratically governed is master of its fate; state of war means restriction or even suspension of most important condition of democracy, the right of each citizen to free political activity. This enormously increases responsibility of those representatives last chosen by people, the members of German Reichstag. May it see the way mapped out for it by evolution. A fool who charges this most patient of all parliaments with thirst for power; the Reichstag never wanted power but now it must want power because the German people whose authority it represents demands it and because its way to power is the way of the world to peace.

Vossische Zeitung. President probably knew nothing of Sukhomlinov trial otherwise he would have changed his tactics of making alleged German autocracy responsible for war. Wilson is speaking to Germany when he refused accept assurances German Government unless expressly certified as will of German people. The Reichstag peace resolution is basis of all statements made by Germany during last two months. This first condition of governmental system Wilson has in mind is present; namely, the will of people's representatives determining policy. We are aware we lack second conditions;

namely, that course pointed out by Parliament and recognized by Government will be steadily pursued with proper means. The clear recognition of this necessity unites wide circles of Germans to-day whose views otherwise very divergent. The will for political responsibility has been aroused in German people and will make its way regardless of applause or disapproval of enemy, or whether Wilson will negotiate with us thereafter or not. Wilson need not warn Russia against us. The movement which Germany has created within herself is real liberty movement; it respects rights of nations and abhors oppression of any people; it will not stop at giving peoples self-government to split them and leave them prey to mighty powers but aims to teach them to learn community interests with neighbors and form sincere alliance of the weak. This is political aim Germany has in view for Continent and can be established by parliamentarization. If President wishes negotiate with Germany on this basis he may soon have opportunity.

Frankfurter Zeitung. All German parties united that changes internal politics by command or urging foreign countries impossible. Germany aims at democratization but foreign interference is imprudence and susceptible of suspicion of aiming at reaching opposite of alleged object. German people is completely in accord with Government in all material points. Why does not President mention program of peace, of accommodation and reconciliation subscribed to by Reichstag and Government? What the Entente leaders want is not democratic but impotent Germany. If they speculate on German revolution they are doomed to bitter disappointment. Pope can reply to Entente that guarantees demanded by Wilson are given, German Government and Parliament having declared themselves for accommodation peace.

LANGHORNE

File No. 763.72119/813

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *September 1, 1917, 2 p. m.*
[Received September 3, 7 a. m.]

1556. Text of President Wilson's message to Pope transmitted your August 29, 11 a. m.,[1] received after Havas Agency had cabled text to press. Havas text differs in such essential and important

[1] Not printed; see telegram of Aug. 27 to the Ambassador in Great Britain, No. 5348, *ante*, p. 177.

points that I deem it desirable to cable the Department full text as translated from the French and German papers which are published in Switzerland:

While sympathizing with the appeal which the Pope has just addressed to the belligerent nations, I venture to say that it would be folly for us to enter upon the path of peace as he invites us, if that path would not conduct us straight to the object which he seeks. Our reply must have as a basis tangible facts and nothing else. It is manifest that no part of the Pope's program can be happily realized unless there takes place beforehand and above all the absolute reestablishment of the *status quo ante* and before our enemies bring us strong and sufficient guarantees for the future.

The object of this war, I say it here because it is absolutely true, is to free the people and to liberate them from the menace of a formidable militarism put at the service of an irresponsible Government which, after having secretly planned to dominate the world, has not recoiled for the realization of its plan before the respect due to treaties any more than it has before the principle of international law and honor which have been so long venerated by civilized nations.

This Government animated only by a will to accomplish its sinister design has chosen its hour, and then began to strike with ferocity and without mercy. It has not let itself be stopped by any consideration of justice or pity. It has burst all bounds of morality which have built up dikes to barbarity. It has spilled floods of blood upon the entire old Continent, not only the blood of soldiers but the blood of women and children and of poor defenseless people.

To-day the enemy of four-fifths of the human race is baffled but not yet vanquished. The odious militarism against which we fight is still upright. Truly it could not represent really the aspirations of the German people but it is [their ruthless] master. To treat with it in accord with the suggestion in the plan of the papal peace would be to give it a renewal of force, a sort of consecration, which would mean to place the Allies in the necessity of forming a permanent league of nations against the German people. This would be to abandon forever the German people to the sinister influences and to the tendencies devised for humanity of which the German Government has so often given us proof. Can peace be based upon the restoration to power of the German militaristic Government, or on the word of honor that it could engage in a peace of understanding and conciliation? The statesmen who have the responsibility of directing the policy of their countries must realize now that no peace can rest with security on political and economic relations based on privileges accorded certain nations to the detriment of others.

The American people have actually suffered the most considerable wrongs from the German Government. However the United States is not considering exercising reprisals against the German people itself, because a low desire for vengeance does not animate it. The Americans believe that the future peace should rest upon the rights of peoples little and big, who should enjoy equal liberty and security

in an absolute measure and to whom no one could question the right of governing themselves. It is necessary also that the right be recognized for the people to arrange common economic agreements. This right no one considers contesting to the German people itself, if it resigns itself to accepting a régime of equality and not seek to dominate other nations, as it seeks to do to-day. Such is the fundamental basis of any project of peace. It must rest upon a deep and ardent faith of all the interested peoples and not on the word of an ambitious and intriguing Government opposing itself to a group of free people. This project we have studied profoundly with our Allies. We are decided to pursue the application of it until the end. We do not seek any material advantage of any sort. I must proclaim this still another time. We believe that the truly insupportable wrongs that the brutal spirit of domination of the German Government has caused us must be repaired, but we do not understand that it should be to the detriment of the sovereignty of any people. How could we wish that since we have entered into the war precisely to assure the defense of the feeble against the strong? The dismemberment of empires or the creation of egotistic economic leagues of other peoples we repudiate also with energy, but we repudiate as well any unenduring basis of peace.

The durable peace which we desire must be founded on justice, loyalty and categorical respect for the rights of humanity. We cannot regard the word of those who govern Germany as offering us sufficient guarantees for a durable state of affairs. So that we may believe in it, it must be sustained by so evident a manifestation of the will and designs of the German people that it can justify its acceptance without reserve by other peoples. Without such guarantees, in the present condition of affairs, no man and no nation can give its confidence to a treaty concluded with the German Government even if it establishes suitable basis of an accord for an agreement for disarmament, if it replaces by a system of arbitration the confidence while she is military force and even also if it contains formal agreements in view of the reconstitution of nations. We should then await some new and evident demonstration of real intention which animates the peoples constituting the Central Empires. Nothing could be possible before that.

God grant that this evidence can be produced soon and in this manner render to all people the confidence that they had before in the engagements which bind nations to each other and thus hasten the possibility of concluding peace!

My action in this matter has been confined to handing true text to Swiss agencies which I did after Havas text had been set up and before publication. In view of the fact that alterations of such serious nature apparently made in transmission through Allied press I await instructions as to further action. *Strassburger Post* and *Frankfurter Zeitung* just received contain full and correct translation of note received through Holland.

STOVALL

File No. 763.72119/808

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *September 3, 1917, 5 p. m.*
[Received September 4, 5 a. m.]

1141. A neutral diplomat not unfriendly to the Entente and the United States recently returned from a long residence in Germany, speaking informally and confidentially to a member of this Legation, stated it as his belief that Germany would "consent to discuss" the question of a cession of part of Alsace and Lorraine to France if it were thought that peace might be obtained as a result of such cession and in return for possible compensation in the Baltic provinces or in the way of colonies. In further explanation he stated that if it were a direct question of choosing between a diplomatic peace including the cession of the parts of Alsace-Lorraine sympathizing with France and the continuation of the war that the choice would fall for the former and that popular feeling would demand such a choice even were the Government averse to it. He had, however, encountered a widespread opinion in Germany that there was no use in opening the Alsace-Lorraine question because the French would be satisfied with nothing short of the whole south bank of the Rhine, and furthermore that even the common people were convinced that the continuance of the war by Germany was necessitated by the determination of the Allies to dictate a humiliating peace.

EGAN

File No. 763.72119/817

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *August 27, 1917.*
[Received September 5, 9.15 a. m.]

126. Referring to Department's circular August 20, 4 p. m.[1] The Prime Minister in reply requests me to transmit textually the following:

The Pope's intervention at the hour when Prussia's military prestige has not yet been destroyed by the efforts of the universe raised against it is dangerous and inopportune. This intervention tends to consecrate Germany's supremacy which, through the Germans and Hungarians, has at the disposal of Berlin's policy all the nationalities of the [Hapsburg] monarchy. In fact it seems to be dictated by the wish to save Austria-Hungary, a Catholic monarchy, by injuring the

[1] *Ante*, p. 165.

national positions of Italy and of the Roumanian and Slav people, whose greater number is Orthodox. It wants to render sterile our enormous sacrifices in the hope of delivering our brothers from under the Hungarian yoke. Thus, its success would imply the violation of the formal pledge taken by their allies when they solicited our military cooperation, which we have loyally and generously given and which twice already, in the course of this year, has contributed to those fierce fights to keep off from other fronts the concentration of digressive efforts; but besides the rights of Roumania, and from a general point of view, Austria-Hungary in its actual state cannot last, the historical principles on which it has been founded and which have provoked the present war, constitute an anachronism incapable of insuring the peaceful and quiet existence of a modern state. And the centrifugal aspirations of its different people will unfold in the midst of future Europe a danger of fermentation far worse than [that] of which Turkey has been [the focus] through the nineteenth century. Those who wish a lasting peace founded on justice cannot consider with sympathy the Pope's proposal either in what regards its opportunity or its scope.

ANDREWS

File No. 763.72119/819

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *September 4, 1917, 7 p. m.*
[*Received September 6, 2.50 p. m.*]

1578. My 1569, September 3, 8 p. m.[1] I learn from authoritative Italian source that Pope's peace note was initiated by overstatements [*overtures?*] from Erzberger submitted in June showing *pourparlers* of negotiations for peace between statesmen of Central powers and more or less official persons in Entente. This was backed by autograph letter from Emperor of Austria to Pope begging for intercession. Principal persons interested were Erzberger, Marchetti, Hertling and Czernin. Pope's original idea was to propose complete reestablishment of independence Belgium, return occupied France and concession of a portion of Alsace-Lorraine to France, concession of a portion of Austria to satisfy Italian claims and reparation to Belgium, autonomous Poland and Balkan question to be settled in conference. These terms were peremptorily refused by Germany and after long negotiations note was issued all terms of which had been previously agreed to not only by Austria and Prussia but by the small states of Germany. STOVALL

[1] Not printed.

File No. 763.72119/818

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *September 5, 1917, 9 p. m.*
[Received September 6, 3 p. m.]

1156. One of the results of President's reply to Pope has been to bring out in German reactionary organs a demand that nothing more be said for the present regarding parliamentary institutions and democratization inasmuch as it is favored by Wilson.

Berliner Tageblatt contests this standpoint saying that changes in the government system should be made for the very purpose of destroying this weapon now being used against Germany by her enemies. Paper complains as usual that the great industries are standing behind the Conservatives in their fight against freer institutions.

Vossische Zeitung, September 4, says that while representative organs in Hungary agree with those in Germany and Austria in scepticism over President's answer, it is hard to understand the attitude of the Budapest *Az Est* which describes the note as one to which every friend of peace and every patriot can subscribe. Paper quotes *Az Est* as saying that America has unconditionally put herself on the side of no annexation and that for Hungary is the most important thing, further the underlying thought of Wilson is conducive to permanent world's peace. Papers are doing much apparently to counteract effect of President's charges against Germany, much space being given last few days to statements of Russian generals regarding Russian mobilization and also to text of Bethmann's interview with Associated Press correspondent in reply to Gerard, but naturally no reference is made to the recently published telegrams from the Greek Minister at Berlin August 4, 1914, announcing, on the Emperor's authority, the signing of a German-Turkish treaty on that day.

Deutsche Tageszeitung and *Vorwärts* are having sharp word war over the former's asserting that the Reichstag coalition is not backed by a majority of the people.

Tageszeitung also attacks the Social Democrats now on the ground that they are going arm in arm with Wilson for other purpose than to shake the foundations of the German Empire, whatever the outcome of the President's note may be as affecting German internal politics, the immediate result is seen in the endeavor of the Right to weaken the Social Democrats by a charge of non-patriotism. There is some talk of a dissolution of the Reichstag.

New order of Imperial Clothing Department forbids sale of used wash goods.

EGAN

File No. 763.72/6743

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *September 6, 1917.*
[*Received September 7, 12.14 a. m.*]

1314. German press summary:

Vorwärts comments capture Riga. Happily German reply to Pope will not be under auspices waning German military power but is sign evidence of German strength. It can be stated all more frankly German people wants no other gain from this war than lasting peace guaranteed by international law. If adversaries refuse whole German people is ready to contribute in order that Riga shall not be last success German arms this war. Only thus can warfare and policy working in common successfully complete most difficult task ever imposed on any people.

Wolff's Bureau publishes interview with Chancellor on Sukhomlinov trial which he claims destroys enemy legend Germany's war responsibility. No American note can alter historic truth Germany forced to fight by criminal enemy war agitators nor will any such note shake our firm determination to fight in loyal cooperation Crown Government and people to attain war object for which heroes have been struggling and bleeding more than three years; namely, the conservation our sacred right to Germany's integrity and freedom of her secure peaceable further evolution.

Rheinisch-Westfälische Zeitung prints report New York *Sun* President sent private letter to Pope expressing willingness consider further proposals.

Berliner Lokal-Anzeiger comments daily telegraph report Washington received confidential information break between Reichstag Majority and Admiralty on submarine issue shows damaging effect regrettable occurrences in Reichstag committee.

Kölnische Zeitung quotes twelve Socialist papers condemning President's note. In appeal for subscriptions seventh war loan Berlin eldest merchants' association it is doubly patriotic duty every German to subscribe at moment when United States President in complete ignorance German conditions and venting hostility to German Empire illy concealed before this undertakes again dastardly attempt to sow discord between German Government and people. We should prove by success new war loan that in face of this absolutely hopeless attempt Germany is only welded more firmly together for unanimous peace and security economic and political future. Emperor replied telegram Bremen Chamber Commerce German loyalty will frustrate every attempt to divide German people and its Emperor.

Frankfurter Zeitung comments statement American State Department overthrow Hohenzollerns not peace condition shows again how astonishingly ignorant America is of real condition. If one didn't know this was expression Anglo-Saxon arrogance one would be led to think Wilson and Lansing were playing into hands German reactionaries. German people with its high degree political, moral, spiritual forces will organize appropriate Government. This has nothing to do with peace. Fatal mistake will be made by continuing to talk to us as if we had to accept peace as a gift.

Düsseldorfer General-Anzeiger reports recent speech Von Heydebrand attacking Reichstag peace resolution saying if submarine war demanded by Conservatives had been started year ago there would probably be peace now. He was convinced war couldn't last through winter, perhaps not even to end of year. Annexations couldn't be dispensed with because inadequate frontiers couldn't be held.

Professor Hasenclever writing in *Kölnische Zeitung* on recent severe losses Canadian troops says American armament probably contemplates conquest of Canada.

Paper comment on split in Austrian Polish club on issue Polish self-government Professor Hoetzsch in *Kreuzzeitung* claims whole German Polish policy complete failure. Centrals could no longer figure on independent Poland loyal to them. Poles have united on complete independence with international guarantee and free hand towards Centrals. Nevertheless Erzberger and others demanded in Reichstag committee Polish Parliament and Ministry.

Krakow Czas reports September 1 Governor General Von Beseler told *pro tempore* committee of Polish State Council he expected any day instructions from Berlin for establishment all branches Polish Government.

Berliner Tageblatt reports temporary shortage meat in Berlin expected last two weeks.

Frankfurter Zeitung reports factory recently completed and now in operation at Ski, Norway, for manufacture new explosive aerolite.

LANGHORNE

File No. 763.72119/813

The Secretary of State to the French Ambassador (Jusserand)

WASHINGTON, *September 7, 1917.*

DEAR MR. AMBASSADOR: Our Minister at Berne has telegraphed a translation into English of a despatch published by the Havas Agency in Swiss newspapers purporting to give the text of the

President's reply to the Pope's peace overture. I beg leave to enclose a copy of this for your information.[1]

You will observe that the Havas despatch is not only a very questionable translation, but also introduces ideas that were not contained in the President's message and omits points essential to a correct understanding of the President's views.

I have to-day telegraphed the Minister at Berne to send the original French text of the Havas message to the Ambassador in Paris, and have telegraphed the latter to bring the subject to the attention of the Minister for Foreign Affairs with the request that any possible action be taken to prevent future garbling of such important messages. I know that you will agree with me as to the importance of accuracy in regard to such matters, in order that the whole world, our enemies included, may hear what we wish them to hear of our views, and not a garbled version prepared by some news agency. I beg to suggest that you convey to the Minister for Foreign Affairs your own views on this subject.

I am [etc.] ROBERT LANSING

File No. 763.72/6662

The Secretary of State to the Minister in Sweden (Morris)

[Telegram]

WASHINGTON, *September 7, 1917, 6 p. m.*

339. Your 692, August 30.[2] You may inform Swedish Government that there is not the slightest foundation for the report that Morgenthau was proceeding to Europe to obtain political independence of Palestine for the Jews. He is now on his way back to the United States. LANSING

File No. 763.72/6769a

The Secretary of State to the Ambassador in Great Britain (Page)[3]

[Telegram]

WASHINGTON, *September 7, 1917, 8 p. m.*

5394. For your information. Mr. Franklin-Bouillon of the French Chamber of Deputies is in Washington in the interests of participation by the American Congress in the Inter-Allied Parliamentary Union. He has been advised that, after very careful consideration, the project of American participation at this time does not meet with the favor of this Government. LANSING

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[1] See *ante*, p. 186.
[2] *Ante*, p. 181.
[3] The same, on the same date, to the Ambassador in France, No. 2615.

File No. 763.72119/824

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *September 7, 1917, 5 p. m.*
[*Received 9.40 p. m.*]

1319. Legation informed that it is the opinion in German circles in Holland that general effect of President's reply to Pope's message will be to temporarily retard democratic reform in Germany and that the note has furnished new fighting material to the Conservatives and the military party. LANGHORNE

File No. 763.72119/828

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *September 6, 1917, 1 p. m.*
[*Received September 8, 7.30 a. m.*]

1595. I learn from various sources that Austria has recently been sending to Switzerland a quantity of unofficial agents to work at peace propaganda. Among the most active are Colloredo-Mannsfeld now in Geneva and the Austrian Consul General in that city, also Károlyi is here incognito and is being watched by Allied agents. They have made several indirect advances to French and British and the country is full of rumors as to the terms which they have proposed. My own impression is that the Allied representatives have merely listened to what Austria has to say without making a definite response.

It appears that none of the agents have intimated that Austria can make separate peace although there is no doubt that she will use her utmost endeavor to make Germany bring peace before the coming winter. However, it may be hoped that if not too rigorous terms are offered to Austria a split may be obtained between her and Germany but at what point this split would occur is a matter which I have been unable to ascertain and which I shall continue to follow most carefully; but also it must always be borne in mind that it is probable that Germany is using the good will of the rest of world towards Austria to push her own plans for peace.

STOVALL

File No. 763.72119/829

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *September 8, 1917.*
[*Received 5.45 p. m.*]

1329. German press summary:

Vorwärts prints Erzberger interview, Budapest *Az Est*, wherein stated American note not considered final rejection at all since it showed agreement with Pope's note of Reichstag peace resolution on following points: mutual simultaneous limitation armaments, arbitration, indemnities, rejection of dismemberment and economic war. Wilson wholly accords with Pope on these points and is more in agreement with great majority German people on them than with London and Paris. Replying to question whether this view Wilson's note was not greatly at variance with German press Erzberger said this was substantially true although some German papers had expressed kindred thoughts but policy must not be conducted with indignation and feeling but with cold reason and with pencil in the hand. Unauthorized interference and offensive demands were to be rejected emphatically but obligation remains to examine material contents adversary's reply. Will Reventlow and Heydebrand demand Wilson's removal from office before 1921? In all probability Germany will conclude peace with Wilson. This simple reflection forces every sensible German even when fully asserting his standpoint not to bring new bitterness into difficult peace work by angry words thus hindering and imperiling peace.

Kölnische Zeitung comments Lansing statement America does not insist on removal Hohenzollern dynasty. America has no right to talk about our internal affairs. State Department's correction of its earlier arrogance will be passed over by German people with shrug of shoulders.

Kreuzzeitung comments statement does not alter Wilson's impudent refusal recognize capacity constitutional representatives German people to conclude international agreements and refusal to accept word of German Emperor.

Vorwärts comments Lansing statement should show up motives of great indignation in Germany at American note inspired by reactionary interests and war agitators.

Berliner Lokal-Anzeiger prints article by former Colonial Secretary von Lindequist urging unanimous indignant popular rejection of Wilson's treacherous attempt to sow dragon's teeth between people and the Kaiser. Only reply to Wilson is hands off our internal affairs.

Kölnische Volkszeitung proposes that all gatherings of people pass short strong resolution rejecting Wilson's insinuations. Magistracy of city of Halle publishes manifest expressing indignation at President's note to Pope stating President grossly insults German people.

Leipziger Neueste Nachrichten reports changes of personnel expected shortly which will favor course of Reichstag Majority. Beginning will be made with Emperor's civil cabinet new chief of which will possess full confidence of Reichstag.

Vossische Zeitung reports new disorders in Ireland and trouble with Labor Party which may make Lloyd George's demission neces sary.

Norddeutsche Allgemeine Zeitung prints in parallel columns English text German translation published French text and German translation President's note showing important discrepancies.

In Havas version Berlin *Börsen-Zeitung* reports Berlin Chamber of Commerce received confidential information concerning America's commercial campaign in Colombia which German firms may learn upon inquiry.

LANGHORNE

File No. 763.72/6868½

The British Embassy to the Department of State

MEMORANDUM

The Russian Minister of Foreign Affairs suggested to the British Ambassador in Petrograd that as a military conference is to be held in Paris towards the end of September, the suggested conference which Russian Ministers were to attend might conveniently meet a little later in London. Monsieur Tereshchenko proposed to take with him Prince Lvov and Monsieur Konovaloff, who is an economic expert. Sir George Buchanan observed that such a conference would have the great advantage of giving opportunity for a frank exchange of views between the Russian Government and the other Allies as regards Russia's part in the war and material assistance to her from the Allies. It was difficult for the Allies to decide how far they could continue to despatch war material to Russia without personal contact with members of the Russian Government. This was all the more necessary in view of recent events on the Russian front, the economic and financial crisis, and the renewed activity of the Maximalists.

Monsieur Tereshchenko agreed and expressed the hope that an American representative would be invited to attend the conference, especially as financial questions would figure largely in the discussions.

He also said that deplorable as the loss of Riga was, he did not believe Petrograd would be in real danger except from air attacks, and vigorous defensive measures were being taken. The Government did not wish to go to Moscow except as a last resort.

Sir George Buchanan expressed the hope that attention would not be distracted from the military crisis by the rumours about counter-revolution and the arrest of the two Grand Dukes. Monsieur Tereshchenko replied that cypher messages and letters from the wife of the Grand Duke Paul had been found of a highly compromising nature, but the arrest of the Grand Dukes would probably not be prolonged and was only domiciliary.

WASHINGTON, *September 10, 1917.*

File No. 763.72119/825

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *September 9, 1917.*
[*Received September 10, 12.20 a. m.*]

1611. Press reports:

Journal de Genève, 9th, gives substance Hungarian press comments, President Wilson's note.

Az Est, Budapest, finds note so clear, worthy support all genuine friends peace and patriots. America thus expresses itself unreservedly for peace without annexation, and this the essential for Hungary.

Magyarország, organ Károlyi party, states Wilson has won with courageous reply, recognition all sincere friends peace. Those condemning note display war-devil spirit and do not desire peace. Whoever opposes Wilson declares himself enemy of Hungarian nation.

STOVALL

File No. 763.72119/830

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *September 11, 1917, 11 a. m.*
[*Received 2.25 p. m.*]

1076. Learn from Vatican sources that Pope expects still good results from his note, also that England has made certain inquiries on points which he has referred to Central Empires' Governments, and has notified England that the reply will be made next week.

NELSON PAGE

File No. 763.72/6805

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *September 10, 1917, 10 p. m.*
[Received September 11, 2.35 p. m.]

1184. The continued volume of comment in German press on Wilson's reply to Pope is further indication of deep impression which note has made. Discussion is along same lines as already reported, a characteristic expression being that Germany intends to have democratic institutions in spite of Wilson. Bernhard has article in *Vossische* 9th, entitled "Deutscher Parlamentarismus," which urges co-responsibility of people's representatives with Government. He says:

The control of the government by the people and the participation of the people in the government lies in the line of development in every state. We have been developing in Prussia along these lines ever since 1848 and from an earlier period in other German states. Further development is not to be arrested, nor does the manner and speed thereof depend on these who wish to force things.

Vorwärts prints interview with Scheidemann:

I find that American Government would seem as though peace program of Reichstag had served as basis (of note). Reichstag in its program demanded peace by negotiation and permanent reconciliation of peoples. It declares that lands conquered by force and political, industrial and financial violence is incompatible with such peace. It renounces all plans for industrial boycott and enmity after the war. It demands international courts. With all this, American Government is in accord. Why then do they wage war against us? They answer this by saying that the present German Government does not appear suited as guarantee in the coming peace. I reply that Reichstag is ready to assume the guarantees for coming peace on basis of general, equal, direct and secret suffrage in election of representatives of German people. Peace after this war will continue for long time from mere fact of exhaustion. During this time the cause of democracy and socialism will make rapid progress in all lands and then it will be possible to secure more firmly than ever a contract for world's peace. I believe, therefore, that this war will actually be the last between great civilized nations. Peace will imply at once a democratic peace and assure peace for the whole world.

German papers report that Chancellor asserts that new Prussian election laws will take effect soon and that German Government will in near future formulate its peace conditions.

Tageszeitung, September 9, reports formation of new political party called German Fatherland Party. At head are Johann Albrecht, Duke Mecklenburg, Admiral von Tirpitz and Doctor Kapp,

former general Landschaft director. General object of party seems to be create reaction against Reichstag peace resolution and give further expression to [demand] for German annexation and indemnity, "A Hindenburg peace and not starvation one." Its watchword is save Germany, her honor and future.

Norddeutsche Allgemeine reports that agreement has been reached between Chancellor and Count Czernin regarding Poland and particularly in connection with proclamation of 5th November, 1916. Announcement will be made in a few days. Kaiser in Riga speech says Riga free. Saxony has reduced meat allowance from 250 to 150 grams weekly, not however to include city population.

Norddeutsche Allgemeine, September 7, prints President's note in English and German in parallel columns and also French translation, as it alleges it was printed in France which shows a considerable variation and cites this as evidence of German virtue and French perfidy. Whatever may have been German press practices in the past, President's last note has had wide and correct textual publicity although to what degree papers containing such matter reach the men in the trenches is questionable. The only alteration charged against the French which seems worthy of note is an addition to third paragraph from the end reading, "Ce projet, nous l'avons mûrement etudié avec nos alliés, et nous sommes décidés à en poursuivre jusqu'au bout l'application," although alleged French translation has many minor changes, is more highly colored and omits practically all of first two paragraphs beginning "every heart."

EGAN

File No. 763.72119/833

The Minister in Switzerland (Stovall) to the Secretary of State

[Telegram]

BERNE, *September 11, 1917.*
[*Received September 12, 7.35 a. m.*]

1625. Press report:

Strassburger Post, 10th, reports from Stuttgart at meeting held 7th instant by representatives of all Württemberg chambers commerce, industrial associations, and commercial clubs, energetic protest against President Wilson's reply to Pope was telegraphed to Emperor, Hindenburg, and Chancellor. Mass meeting many thousand participants held 9th instant at Hamburg at which President's arrogant attempt interfere with German foreign and domestic policies was rejected with indignation and telegrams of loyalty sent Emperor, Hindenburg, and Chancellor.

STOVALL

File No. 763.72/6922

The Minister in Switzerland (Stovall) to the Secretary of State

No. 1319 BERNE, *August 27, 1917.*
[*Received September 13.*]

SIR: Referring to my cipher telegram No. 1476, dated August 21, 1917,[1] I have the honor to transmit herewith enclosed copies of the two communications brought to my attention through my British colleague, dealing with a conversation about July 20 last between Emperor Charles of Austria and Professor Foerster of Munich.

In order that this channel may not be closed for further information of this nature, I earnestly request that the Department will confide the telegram referred to and this despatch to as few persons as possible.

I have [etc.] P. A. STOVALL

[Enclosure 1—Extract]

Report Received through the British Minister, Dated July 31, 1917

On July 29 my informant met Foerster who has just crossed the Austrian-Swiss frontier, was full of his recent visit to Vienna, and proceeded to expatiate on his interview with the Emperor. The Emperor had sent for him in private audience, and had detained him for two or three hours discussing with him in all simplicity and frankness the political situation. The Emperor seemed sincere, earnest and very clear-headed. He explained his difficult situation in that he in the main had to depend upon what his Ministers reported for all his information. He begged Foerster to speak with complete freedom, to criticise, to say disagreeable things, to speak his real mind. The Emperor pointed out at the start the discrepancy which existed between the official picture of the sordid aims of Great Britain and those ideas which he cherished as representing England. He had always felt drawn to England and believed in her mission in the world. He described the difficulty he had had in obtaining the ministerial consent to the well-known amnesty proclaimed, and gave voice to the need of a complete renovation of the Monarchy. It could only be saved by radical measures along the line of democracy and federation. There were tremendous impediments in the way and it was probably true that, failing an impulse from without, the regeneration could not be effected. Perhaps violations done to the country by the Entente might in the end be a blessing in disguise. There were vested interests which only stern necessity could

[1] Not printed.

overcome (the Hungarian magnates were singled out as being the greatest hindrances to the future as they had been in the past, by their anti-Serbianism, the greatest blame for the war). The land must definitely turn from its subserviency to Prussian military ideals; it was not a German Empire, it was a composite Empire in which the Germans were hopelessly in the minority. For the greatness of the Monarchy the ideal solution would be to build up a great confederation which would serve as a counterpoise to Germany. That confederation should be constructed on the principle of the right of constituent peoples to decide upon their own fate.

The historic boundaries must fall, the South Slavs must come together, if they so desire, independently of the question as to whether a given part belonged to Austria or to Hungary, and if that were feasible all these might be joined into a kingdom of Servia with a king of their own choice, within the confederation. Hungary might also be called upon to cede her Roumanian districts to a kingdom of Roumania, having a similar status. The autonomy of Poland must be assured and Bohemian claims satisfied, even if it meant a disruption of crowned rights. In short, home rule all round. The Emperor appeared to be under the conviction that no such fundamental transformation could be obtained save at the behest of the Entente, and declared that he could not close his eyes to the reasonableness of many of the demands of the Allied Governments.

This is the account given by Prof. Foerster to my informant. Of its authenticity I feel there can be little doubt. One must bear in mind, however, that Foerster is a very commanding personality, and probably a much stronger character than the Emperor Charles. It is not unlikely, therefore, that Foerster did most of the talking, and that on analysis it would be found that many of the expressions of opinion put by him into the mouth of the Emperor were silent acquiescences to rather startling propositions enunciated by Foerster himself. That the Emperor, however, was pleased with his guest is evidenced by the fact that he arranged for him to leave the country without any inspection of his luggage or annoyances at the frontier and invited him to return in a few weeks. He was also given to understand that certain reforms were imminent, and that the public belief that Baron von Beck was to inaugurate a long period of half-promises was sand in the eyes of the people—confidences which Foerster could hardly have suggested.

My informant accompanied Foerster for only a short portion of his return journey, and their conversation, in which Foerster evidently did most of the talking, was interrupted somewhat hurriedly. He had time, however, to object that the Entente would very possibly fear the creation of an expansive Austria which might subsequently

fall into line with *Mittel Europa* rather than be a counterpoise to Germany. Foerster replied that this had been considered and it was regarded that the introduction of perfect democracy was a sufficient guarantee; the confederation could never be directed by a Vienna-German clique; Serbian interests would be protected because Serbia would have an important voice and so would all the other nationalities. My informant also expressed doubts as to whether independent Serbia and Roumania would welcome a reduced grade of sovereignty comparable with that of Bavaria and the German Empire, and, as he conceived the intentions of the Entente, he doubted whether they would be willing to use pressure to obtain assent on the part of a nation which had been the victim of Austrian aggression. Another objection which my informant did not have time to put forward was that Italy, even after recovering the *tèrra irrèdenta* in full measure, would be stoutly opposed to sharing the Adriatic with such an overwhelming power.

[Enclosure 2—Extract]

Report Received through the British Minister, Dated August 15, 1917

I am writing to say that my informant has had another conversation with Foerster, of which he has given me the following account:

I did not want to show too great an interest in the matter lest he should restrain his utterances. He asked me whether I had reflected on what he had told me and what impression I had of the proposals. I pointed out that to my mind the interests of Italy were so completely sacrificed that I could not conceive of an assent on the part of the Entente. He confessed that Italy fared the worst in the arrangement and in general showed very little appreciation of the Italian standpoint. He described the Emperor as personally "well inclined towards Italian aspirations but declared that this was the domain where all Austrians seemed in accord, in their opposition to Italian demands." What little the Emperor was willing to concede would be objected to even by his broadest-minded advisors. Still necessity would lead to the granting of "legitimate" aspirations. Prof. F. proceeded to enumerate these. The cession of the Trentino he conceived as such although economically to the disadvantage of the inhabitants and at variance with the cardinal ideals proclaimed by the Entente, for a referendum would probably decide against it (?). Gorizia and Gradisca might also be ceded, but Trieste and Dalmatia could not be justly demanded. To take Trieste away from Austria would be as great a wrong as was perpetrated by Austria in preventing Serbia from securing an outlet to the Adriatic. I pointed out that unless the views of Italian politicians were quite misleading the Entente had in all probability insured Trieste to Italy as part of the minimum guaranteed by treaty on Italy's entrance into the war, and that it was hard to conceive any compromise acceptable to Italy which did not involve the cession of Trieste.

I expressed great interest in the statement that the public press of late had been full of discussions showing a dull intuition of the matters under debate in Austria, of which he had told me; allusions to the possible intentions of the young Emperor, distrust of Austria; all this was in the air. I expressed the opinion that it would be very harmful if the press were to learn of the revelations which he had made. It would certainly lead to a storm of anger in Berlin and to a formal veto. F. declared that Vienna no longer would listen to dictation from Berlin—that this was not merely the attitude of the Emperor but that of all the Austrian statesmen with whom he had had occasion to confer. While maintaining formal relations befitting the position of an ally, Austria was not at all inclined to look to Berlin for guidance. It was true, however, that the military situation had some influence on this and that the fall of Tarnopol had enabled Germany to regain a temporary ascendancy. Every victory in the east, especially if won on Austrian territory by German troops, was regrettable to one who desired Austrian liberation from the Prussian yoke. F. declared, however, vigorously that Prussian hegemony was a danger that no longer existed. In Bavaria they were as determined not to tolerate it as they were in Austria. This was the case with all classes of society, including Government circles.

I ventured to express some suprise at the free way in which F. had told me so many state secrets and again asked whether he did not think it would be deplorable if the newspapers took the matter up as a revelation. He replied that it would be a mistake now, but that he thought at an opportune moment the thing might be thrown open to public discussion. He then confessed that he was quite ready for it all to be known to the British Foreign Office and had given a report to Prof. Young, who had probably transmitted the same in some form.

An interesting feature is that Prof. F. is to return to Vienna on the consummation of certain ministerial changes, which in the opinion of the Emperor will give him the opportunity to take up the matter more fully and under ministerial responsibility. Prof. F. remains in immediate correspondence with the Emperor.

Prof. F. then took up a point on which he lays great stress. It is his conviction and he has had assent to this on the part of statesmen who believe that Austria's and Germany's welfare require the strong medicine of Entente intervention, that it would carry great weight if all the Entente powers, including the U. S. A. and China, were to undertake a diplomatic offensive, consisting in threatening the Central powers with absolute economic boycott, unless the latter accept the terms of the Entente. He says the dread of such exclusion from the trade of the whole world is far greater than the fear of the armies that are being trained and that it might lead to a suing for peace at a very early date, if it were really believed that the threat was seriously meant. For purposes of argument I asked whether *Mittel Europa* was so lightly thought of now and he assured me that no one in authority had any confidence to-day in such a policy. I then said that for Germany to sue for peace the military party must be convinced or rendered powerless. Would not this party react to the threat of economic isolation by the resolve to prevent just this very thing by military success, by imposing treaties

of commerce, as in Frankfort? Would not the fact that the Entente relied on such a threat be construed as implying military weakness and encourage a military decision on the assumption that the economic domain presented an ascendency of the Entente which the military action had certainly not revealed in such overwhelming proportions and that consequently Germany must rely on her sword? This brought forth the declaration that no German with any degree of insight, whether in the Empire or abroad, in his heart of hearts believed a German victory a possibility. Many trusted that the Entente might desist from exhaustion and offer acceptable terms to get out of a bad affair; but they had no other hope than this. He had travelled far and wide, he had discussed the war with people in all walks of life. There could be no question then that the prevalent conviction was that nothing but a fluke could save the Central powers from defeat; victory was a word left for patriotic orators.

File No. 763.72/6843

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *September 14, 1917.*
[*Received September 15, 5.30 a. m.*]

1214. German Social Democratic papers September 13, publish party report 1914–1917:

Strong point is made of party's fight waged since war's beginning for principle "no annexation nor indemnity" and says that Conservatives do not consider lives sacrificed in pressing Pan-German agitation. Democratization of Prussia must be pressed sharply, etc. The termination of the war is vital question for Empire. Decisions involved must not rest in hands of higher class, in whom people have no confidence. German people have long had their fill of such guardianship.

Report says further:

Party organization has as consequence of war suffered greatly and that state of siege has resulted in dissolution of party organizations in territory adjacent to frontier. Membership statistics follow: March 1914, 1,085,000, including 174,000 women; 1915, 585,000, 134,000 women; 1916, 432,000, 112,000 women; 1917, 243,000, 66,000 women. Report says subscriptions to socialistic press have sunk from 1,488,000 in 1914, to 762,000 in 1917, but speaks of great popularity of *Vorwärts*. Mention is made of tendency to discontinue socialistic subscriptions and take local papers after man of household has gone to front. There has also been great reduction in number meetings held. Expenses for last year 976,000, against income 583,000. Party refused, autumn 1914, to lend support to organization of boys' military companies and laid down in September, 1914, following leading ideas: (1) The party press shall work against hurrah patriotism and chauvinistic inciters; (2) stand against annexation desires; (3) look into reports of war atrocities and the

handling of prisoners and wounded; (4) in matters relating to industrial and social politics to act quickly and as leaders.

More comment in papers of 13th regarding Argentine telegrams, but is pretty well standardized. Following lead of *Norddeutsche Allgemeine*, *Vossische* says, "It can be assumed that German Minister had no intention of proposing brutal methods," otherwise he could not have conducted his achieved satisfactory settlement. "Argentine Government and people need not be for one moment in dark as to intentions of America and her allies to make trouble between Germany and Argentine," and adds that endeavor will fail. America and England wish to cooperate to bring about liberal Social Democratic majority, in the hope that Sweden will join their side either in form of actual hostilities or false neutrality. Agitation means employed by Entente is an imputation that Swedish Conservatives lean towards Germany and, when possible, work for entry of Sweden into war on Germany's side.

Also that American report encounter between steamer *Westwego* and a number of submarines is untrue. Many papers print full-page announcement of call to arms of new Fatherland Party.

EGAN

File No. 841.51/272

The British Ambassador (Spring Rice) to the Secretary of State

No. 288 WASHINGTON, *September 13, 1917.*
[*Received September 17.*]

SIR: In confirmation of the communication already made confidentially by word of mouth, I have the honour to state that I have received a despatch from the Secretary of State for Foreign Affairs informing me that in view of the difficulties which have arisen in connection with the financial situation, the British War Cabinet has decided to ask Lord Reading to go out on a special mission to the United States.[1] He will have the full authority of the War Cabinet to negotiate with the United States Administration and to decide on behalf of His Majesty's Government any questions that may be raised. Though primarily concerned with finance he will be authorised to deal with any subject which he considers desirable for the proper discharge of his mission.

I am accordingly instructed to take the necessary steps to inform the United States Government.

I have [etc.] CECIL SPRING RICE

[1] He had already arrived at New York, Sept. 12.

File No. 763.72119/843

The French Ambassador (Jusserand) to the Secretary of State

WASHINGTON, *September 16, 1917.*
[*Received September 19.*]

MY DEAR MR. SECRETARY: My Government, whose attention I had not failed to call to the garbled text of the President's answer to the Pope supplied by the Havas Agency to the Swiss press,[1] has sent me information showing that that association can plead not guilty.

Since it was known that the answer would be made public on the 29th, Havas applied to Reuter in London, on that day, to have the text. Reuter answered that, to their knowledge, the text had been cabled to all the American embassies in Europe with instructions to make it public; they would not therefore forward it.

But no such publication took place on that day.

On the morning of the 30th, the Paris Radio Agency received from London the garbled text known to you, sent them I do not know by whom. That text was reproduced by the French papers on that day. I have before me the number of the *Temps* dated August 31, but published on the 30th, giving this caricatural translation among its "latest news."

Knowing no better, the Havas Agency wired it to Switzerland and probably to other countries for which they have contracts.

The real text seems to have been made public by the American Embassy in London only a day later and it was only when the British papers reached Paris that the French press could give a proper version of it, on the evening of the 31st.

The same *Temps* accompanied its publication of the same by a highly eulogistic article on the President and on his answer, drawing attention to the difference between the real and the garbled text.

On future occasions, my Government suggests that it might be appropriate for the United States Government to supply such texts direct to the Havas Agency, which is represented in New York (c/o Associated Press, 51 Chambers Street). They would gladly forward them to the Swiss, Spanish and Italian agencies with which they have agreements.

Believe me [etc.] JUSSERAND

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[1] See note of Sept. 7 from the Secretary of State to the French Ambassador, *ante*, p. 193.

File No. 763.72/6920

The Special Agent in Corfu (Dodge) to the Secretary of State

[Telegram]

CORFU, *September 19, 1917, 3 p. m.*
[*Received September 20, 10.35 a. m.*]

Premier Pashitch requests me to inform you that a Servian special mission to the United States composed of Vesnitch, Minister to France, General Rashkitch, Servian representative with French Army, Velimirovitch, Servian priest, Marinkovitch, recently Minister of Agriculture, and a fifth delegate not yet been appointed, will start about October 15 if convenient to the Government of the United States. Mission will thank the President of the United States for his expressions regarding small nations and assure him of Servia's desire to conform to his policy. With this mission will come another mission sent by Yugoslav committee of London composed of five delegates, Croatian, Slovene, Dalmatian, Bosnian, and Hungarian Serbs, all Austro-Hungarian subjects, which desire to present to the President memorial embodying views of committee and also to thank him for expressions regarding small nations.

Pashitch desires me inquire whether both missions would be received preferably together or separately as in latter case they would arrive at different dates in Washington, remarking that in Servia they would be received separately, one representing a government and the other a private committee, but that either manner would be agreeable to him. I understand Yugoslav mission desire to be received with Servian mission.

DODGE

File No. 763.72119/841

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *September 19, 1917, 8 p. m.*
[*Received September 20, 5.50 p. m.*]

2510. Upon the convening of Parliament yesterday Mr. Painlevé, Premier of the new Ministry, in a brief speech outlined the policy of the Government. Speaking of the objects of France in the war, he said:

Dis-annexation of Alsace-Lorraine, reparation for the harm and ruin caused by the enemy, the conclusion of a peace which will not be a peace forced upon us containing the germ of future wars, but a just peace by which no people strong or weak shall be oppressed, a peace in which efficacious guarantees protect the society of nations against any aggression from one among them. Such are France's noble objects in the war, if one may speak of war objects in the case of

a nation which for forty-four years in spite of its open sores has done everything to save humanity from the horrors of war.

Until these objects have been attained France will continue to fight. Certainly to continue the war a day longer than necessary would be to commit the greatest crime in history but to finish it a day too soon would be to deliver up France to the most degrading servitude and material and moral misery from which nothing could ever free her.

The Premier expressed a hope that the institution of the republican government in Russia would result in the reestablishment of union and discipline. He referred in terms expressing great satisfaction to the recent victories of Italy and of the French and English on the western front, adding that on the eastern plains of France the American contingent are training fraternally with the French troops.

In view of the recent scandal growing out of the enemy's efforts to undermine the national morale by insidious propaganda, invoking charges of corruption after failing to obtain supremacy on the battlefield, his declaration that they who placed themselves in the attitude of accomplices of that enemy would be punished to the full extent of the law, excited much interest.

His remarks were warmly applauded, the Socialists though not represented in the present Cabinet, giving their approbation as heartily as the followers of the other parties. The entire Parisian press join in approving the attitude of the new Ministry upon all policies affecting the war as expressed by Mr. Painlevé.

SHARP

File No. 111.70An2/a

The Secretary of State to the Chargé in the Netherlands (Langhorne)

[Telegram]

WASHINGTON, *September 21, 1917, 3 p. m.*

687. Frank E. Anderson, special agent, sailed 18th instant on *Carmania* for England on his way to Holland. He will make confidential investigations for the Department and also for the Legation at your request, particularly as regards trading with the enemy.[1]

Please assist him and do everything possible to preserve his cover. He goes apparently as representing the American Woolen Co.

He will draw on the Department for salary of $10 per day, $3 for subsistence and transportation. Should it be necessary for him to travel in Holland, expenses may be defrayed out of special fund at your disposal.

LANSING

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[1] In further reference to Anderson's instructions, see telegram to the Chargé in Switzerland, No. 1208, Dec. 10, *post*, p. 466.

File No. 763.72/6942

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *September 21, 1917.*
[*Received September 22, 5.15 a. m.*]

1704. Press reports:

Münchner Neueste Nachrichten, 20th, reports large mass meeting Munich which passed resolution strongly condemning Wilson's peace note. Attempt cause discontent Germany, especially chasm between people and Emperor presumptuous and unworthy American President. He desired shake people's confidence, and succeeded strengthening same. Desired down Emperor, succeeded raising German admiration for him. Emperor's honor, Germany's honor. Resolution preceded by inciting speech Count Cekharts violently attacking President but stating Germany deserved slap given her, because attitude always too weak against America. President thought fidelity German people as easily shaken, as position Reichstag in important affairs hitherto. Paper's correspondent Berlin states Germany undoubtedly willing reestablish independent Belgium under guarantee, existence right of various nationalities Belgium, and under guarantee genuine neutrality Belgium enemies also willing surrender policy of conquest. Chancellor expected speak this regard Reichstag 27th. National meeting will be held Budapest 24th under presidency Cardinal Csermock to discuss papal peace note. German Reichstag member Erzberger will speak. Progressive Reichstag member Haussmann in speech at meeting Progressive Peoples Party Württemberg declared Chancellor not succeeded winning confidence people's representatives. Parliamentarization thus far weak. If confidence not fundamentally established soon autumn crisis will follow July crisis.

German-Austrian Hungarian commercial negotiations commenced Budapest 18th. *Bund*, 21st, announces Hoffman refuses candidacy Swiss National Council.

WILSON

File No. 763.72/6990

The Chargé in Rumania (Andrews) to the Secretary of State

No. 145

JASSY, *August 18, 1917.*
[*Received September 25.*]

SIR: I have the honor to report on the present situation of the unoccupied portion of Roumania as follows:

Three weeks ago a concerted offensive was taken by the Roumanian forces and all such portion of Russian forces as could be persuaded

or coerced into action. The German lines were known and proved to be very thin and it would have been an easy matter to pass far down into Wallachia had the conduct of the Russian troops in Galicia and Bukovina not necessitated the stoppage of the offensive here. The *élan* of the Roumanian Army reconstituted, reequipped and refreshed, has been the admiration of every one, but it still remains true that the soldiers are superior as soldiers than their officers as officers. They have not received the support which they had the right to expect from the Russians in Moldavia and as they are not numerous enough to form reserves for themselves they have been and are enduring constant fighting without rest.

When the unfortunate development on the Russian front in Galicia became known, and that the fact of the Russian offensive in Moldavia was very spotted, while numerous regiments declined to fight at all, the Germans assumed on their part a violent offensive in Moldavia along the whole line, but especially at Maresti and Tecuci which are situated in the southwestern part of Moldavia, in order to cut the railway line which is in the form of an extended loop and which brings supplies, munitions, etc., to that considerable portion of the front. The trains run down the western side of the loop and turn at Tecuci and come back empty to Jassy by the eastern side of the loop. For eight days and seven nights, until yesterday, an uninterrupted battle took place at the point Maresti—approximately seven Roumanian divisions against nine divisions of the Central powers, the greatest battle ever fought in Roumania. The ceasing of this battle was caused by utter fatigue on both sides as well as possible scarcity of ammunition on the German side.

It can not be known whether the German offensive against Roumania has been with a desire to secure the possession of the remaining portion of the Roumanian Kingdom or as a great demonstration to draw Russian troops from the north or as a means of exhausting the supplies and lessening the military spirit of the Roumanians and Russians in order to secure a long tranquillity on this front.

Were the Germans to break through to any considerable extent at one or more points it might make it extremely difficult for the Diplomatic Corps and the Roumanian officials to get into Russia although Jassy is so near the Russian frontier. Some hundreds of thousands of Russian troops in this part of Moldavia would probably stampede, choking and blocking all the trains and roads making it physically impossible to get out either by railroad or by motor or even on horseback. Hence the Roumanian Government, although there is still a good chance of the line holding and of it being possible to remain in the country, does not dare risk having the Diplomatic Corps and the Government here in case of a defeat. Negotia-

tion and plans for removing the Diplomatic Corps are being reported by my telegram No. 117.[1] The general scheme at this writing is that all the personnel, records and baggage of the various legations shall go to Kherson on Tuesday or Wednesday next, leaving only the chief of each mission with a secretary and a servant to remain here and await military developments.

The four great powers who were signatories of the convention under which Roumania entered the war insisted on remaining as they feel obliged to remain until the last in order to ensure the Roumanian Government adhering to the terms of the treaty of destroying all the supplies of use to the enemy; that this burning up of all the grain is a practical guarantee of the starvation of the Roumanian peasants and people is not a matter with which they concern themselves.

A notice from the Minister of Foreign Affairs had been sent to each legation on August 11 stating that the personnel of the various legations as well as the Roumanian Ministry for Foreign Affairs would go to Kherson, Russia. at the end of this week. When I learned of the determination of the Ministers of the four great powers, now allies of the United States, to remain on at Jassy, I informed the Minister for Foreign Affairs and Prime Minister that I considered it would be the wish of my Government that I remain on also although the United States was not a signatory of the treaty above mentioned, because in principle the United States would not wish its representative in abandoning the country to do otherwise than those of the four great powers; that while the reason for the Ministers of the four great powers in not leaving until the last moment while the other representatives went in advance was sufficient explanation here, it would not explain to the world in general why whereas the representatives of the four great powers stayed at their posts until the last day possible the representative of the United States had left early; that in general it had always been the feeling of the American Government that its representative should be among the last to leave a post of danger—not among the first. His Excellency thereupon informed me that I would have to take my chance to get out under unpleasant conditions, probably in a third-class carriage, and that I could not be given the accommodations that the other signatory Ministers of the treaty would obtain. I replied that there were worse things than riding in a third-class railway carriage and I would take my chances. He then said that if I would write a letter to him that the United States would adhere to the treaty he would place me upon the same footing as the other Ministers. I replied that while I had no doubt that the United States felt an entire solidarity with the Roumanian Government, its ally, I could

[1] Received in the Department as No. 127; not printed.

not possibly write him such a letter or commit my Government in any way without its authority. I then took my leave. . . .

Last night the Prime Minister, Minister for Foreign Affairs, sent a functionary to inform me that His Excellency understood my position and that he had therefore determined on a change of the entire program, which he thought would also be agreeable to the chiefs of missions of the non-signatory powers; that is to say, the little powers with whom he had endeavored to oblige me to leave—Greece, Belgium, Servia, etc. This new plan is that each chief of mission may remain with one secretary and one servant; all the other personnel of each legation together with their records, baggage, etc., shall be sent next Tuesday or Wednesday to Kherson, Russia, in advance. This very reasonable solution is apparently acceptable to every one and will probably be carried out. . . .

The military situation is expected to be resolved within three weeks and we hope it will be possible to remain on at Jassy. The situation in which the Roumanian nation finds itself is truly tragic. It is now known definitely that they were betrayed under the old Russian régime; and they are the victims of the new with its lack of military discipline and condition of partial decomposition as a state.

I have [etc.] WM. WHITING ANDREWS

File No. 763.72/7009

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram—Extract]

BERNE, *September 25, 1917.*
[*Received September 26, 3.25 p. m.*]

1727. Press reports:

. . . . . .

National Zeitung, 25th, states well-informed Berlin correspondent *Neue Badische Landeszeitung* reports Pope and England know official five conditions evacuation Belgium:[1] (1) independence Belgium and restoration war damages with financial German cooperation; (2) strict neutrality guarantee by Belgium, exclusion of treaties irreconcilable such neutrality; (3) guarantee against possible repeated threat 1914; (4) continuation administrative division Flanders accordance wishes majority Belgian population; (5) free exercise commercial intercourse Belgium, especially Antwerp. Germany disinterested King question.

. . . . . .

WILSON

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[1]According to press summary in the Chargé's telegram No. 1758, Sept. 28, these conditions were reported to have been communicated in a note to the Papal Nuncio at Munich. (File No. 763.72/7049.)

File No. 763.72119/857

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *September 27, 1917, 11 a. m.*
[Received 4.30 p. m.]

1100. I learn that the Vatican having expressed to Central Empires' Governments surprise that recent replies omitted reference to points in Pope's letter regarding restoration of Belgium and occupied French territory received yesterday evening reply saying that Germany stands on Reichstag resolutions.

NELSON PAGE

File No. 763.72119/859

The Minister in Belgium (Whitlock) to the Secretary of State

[Telegram]

HAVRE, *September 27, 1917, 9 p. m.*
[Received September 28, 7.35 a. m.]

93. De Broqueville told me this afternoon that the Belgian Government considers as insolence the postscript to the German reply to the Pope and said that it adds insult to injury.

WHITLOCK

File No. 763.72119/859

The Acting Secretary of State to the Minister in Belgium (Whitlock)

[Telegram]

WASHINGTON, *September 28, 1917, 6 p. m.*

285. Your No. 93, September 27, 9 p. m. It would serve a highly useful purpose if you could obtain permission for the Department to publish this statement of De Broqueville. The Department assumes that the "postscript" refers to a report from Berne given out by the wireless press September 25 stating that Germany agreed to evacuate Belgium on certain conditions. This report said that there was a verbal communication from Kühlmann to the Papal Nuncio at Munich.

POLK

File No. 763.72/6920

The Acting Secretary of State to the Special Agent in Corfu (Dodge)

[Telegram]

WASHINGTON, *September 28, 1917, 6 p. m.*

Your September 19, 3 p. m.[1] The Government will be glad to receive any time this autumn a mission representing the Government

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[1] *Ante*, p. 208.

of Servia, and hopes that should the mission desire to stay some time in the United States it will find it possible to be received for the first ten days as guests of the nation.

Regarding the visit proposed by the Yugoslav committee of London, you are advised that the Government of the United States cannot receive at the present time a committee which is representative or partially representative of a body of Austro-Hungarians who are opposed to their Government with which the United States is not formally at war. You will please do everything possible to discourage a visit to this country of such a committee, but you may say confidentially that circumstances may arise later to make their visit possible.

POLK

File No. 763.72/7063

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *September 28, 1917.*
[Received September 29, 4 p. m.]

1413. Wolff [1] reports *résumé* of Chancellor's speech before Reichstag committee of which following is summary.

Chancellor, after mentioning satisfactory state of German relations to neutrals who could not be disturbed by the efforts of the enemy press, stated that Germany regretted the sufferings caused the neutrals by the economic war of the Entente and is always ready to share in providing for neutrals. Economic and financial difficulties of France are increasing and need accompanied by political manifestations was being felt more keenly in Italy, in England. Only false hope of dissension in Germany permits British statesmen even to-day to cling to or to announce war aims which are incompatible with the political and economic necessities of life of Germany. In America the Government sought with all means, even with unheard-of terrorism, to awaken the war spirit which is lacking in the farthest circles and the vaunted military preparation of the United States contemplated calmly and confidently. In Russia a grave economic crisis reigns. Chancellor mentioned that Pope's note was favorably received in Germany but evidently unfavorably in majority of enemy countries, and stated that it is difficult [to understand] how any one with a knowledge of international usage could believe that Germany would be in a position to declare in a statement made by her alone the solution of such weighty questions which are inseparable from the complexities to be discussed at the peace conference. Any open declaration of this kind could only have a

[1] Wolff's Telegraph Bureau.

disturbing effect and would injure German interests; it would not bring peace nearer but would have a tendency to prolong war. Germany must refuse at present to specify its war aims. In conclusion Chancellor referred to President's reply to Pope's note and stated that Wilson's attempt to sow discord between German people and its Government was hopeless, that it brought about opposite result and consolidated Germany in the determination to defy every foreign interference.

LANGHORNE

File No. 763.72/7057

The Chargé in the Netherlands (Langhorne) to the Secretary of State

[Telegram]

THE HAGUE, *September 29, 1917.*
[*Received 5.20 p. m.*]

1418. German press summary:

In speech Reichstag committee Von Kühlmann said report German supplementary note concerning Belgium was French fabrication and without vestige of truth.[1] Said German reply to Pope was milestone on road national development since it was first result of cooperation between Government and Parliament. Nothing would serve better to destroy enemy legend of two sorts of policy in Germany than to continue harmonious cooperation of Government and Parliament showed in preparation reply to Pope.

Berliner Tageblatt and *Vorwärts* comment unfavorably Asquith's speech claiming his peace terms unacceptable. *Berliner Tageblatt* protests against dilatory tactics with Prussian electoral reform bill.

Kölnische Zeitung devotes article to arrest Doctor Barthelme urging reprisals to show Government so-called land of liberty it cannot with impunity deprive German subjects of their rights. Two hundred and seventy-four cases dysentery of which 21 fatal reported in Arnsberg district week ended September 22.

LANGHORNE

File No. 763.72119/864

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *September 29, 1917, 4 p. m.*
[*Received October 1, 2.45 a. m.*]

1763. McNally sends the following:

The President's reply to the peace note of the Pope has had a great effect in the better as well as in the lower German circles where the

[1] See telegram from the Chargé in Switzerland, No. 1727, Sept. 25, *ante*, p. 213.

true text is known. Great unrest among the working classes is causing the German Government very great anxiety and naval and military officials have been instructed to be prepared to cope with any threatening demonstration. At a very recent meeting called by the Kaiser at which Hindenburg and the leaders among the naval and Government officers were present the German Emperor informed his guests that if it was the desire of the Army, Navy, and the people of Germany that he abdicate he would do so. All present pledged their loyalty, offered their general support of his dynasty.

WILSON

Replies of the Central Powers to the Pope's Appeal for Peace—Invitation to the American Government, October 3, to attend the Inter-Allied Conference at Paris

File No. 763.72119/870

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *September 30, 1917.*
[*Received October 2, 11.55 a. m.*]

1769. Department's 974, September 28.[1] German note follows in translation:

Your Eminence has had the kindness to transmit to His Majesty the Emperor and King, my August Master, by letter dated August 2 of the past month a manifest of His Holiness the Pope wherein His Holiness filled with affliction in view of the horrors of the World War addresses a pressing appeal in favor of peace to the chiefs of state of the belligerents. His Majesty the Emperor and King has deigned to make me acquainted with Your Eminence's letter and has charged me to respond to it.

For some time His Majesty has followed with great respect and sincere gratitude the efforts of His Holiness to alleviate if possible in a spirit of true impartiality the evils of the war and to accelerate the end of hostilities. The Emperor sees in this last step of His Holiness a new proof of high and humanitarian inspiration and desires eagerly that for the good of the whole world the appeal of the Pope may find favor.

The efforts of Pope Benedict XV to bring about an accord between the peoples could expect a sympathetic welcome and thoroughgoing aid from His Majesty, the more so as the Emperor since he has led the Government has considered that his principal and sacred duty is to assure to the German people and to the world the benefits of peace. In his first discourse from the throne at the opening of the Reichstag on June 25, 1888, the Emperor swore that his love for the German Army and his position in regard to it would never lead him into the temptation of taking away from the country the bless-

[1] Telegram reads: "Telegraph full text Germany's and Austria's replies to Vatican peace proposal if available." (File No. 763.72119/866a.)

ings of peace unless the war was a necessity brought about by an attack against the Empire or against its allies.

The German Army, he said, must assure us peace and, if in spite of all peace should be broken, the Army must be in a state to permit us to reestablish peace with honor.

The Emperor during 26 years of a prosperous Government has confirmed by fact in spite of provocations and temptations the wishes which he made, then also during the crisis which brought about the present world conflagration the efforts of His Majesty were active up to the last moment to prevent the conflict by pacific means.

When the war broke out against his desire and against his will the Emperor in accord with His Holiness always was the first to declare solemnly that he was ready to enter into peace negotiations. Behind His Majesty stood the German people with the will to collaborate for peace. Germany searched within the limits of the national frontiers for free development in its material and intellectual welfare and outside of the territory of the Empire the right to competition without hindrance with nations equal in rights and equally respected. The free play of forces struggling peacefully together in the world would have brought to the highest perfection the most noble welfare of humanity. A fatal combination of circumstances suddenly interrupted since 1914 a development full of promise and has transformed Europe into a field of battle.

Appreciating the importance of the manifest of the Holy Father the Imperial Government has not failed to examine seriously and properly the propositions which are contained therein. The particular measures which he has adopted in intimate accord with the representatives of the German people for the questions to be raised prove how much he has at heart and accord with the desires of His Holiness as well as with the manifestation of peace of the Reichstag of July 19 of this year in searching for a basis which can be useful for a just and durable peace.

The Imperial Government greets with a particular sympathy the master thought of the call to peace where His Holiness expresses clearly his conviction that in the future the material forces of arms must be replaced by the moral force of right.

We are also persuaded that the sick body of human society can only be cured by the regeneration of the moral force of right. The consequence of this in accordance with the belief of His Holiness would be a simultaneous limitation of military forces of all states and the organization of an arbitral system which would be obligatory for international disputes.

We share the views of His Holiness that precise rules and certain assurances for a simultaneous and mutual limitation of armament on land, on sea, and in the air as well as for the true freedom and community of ownership of the seas constitute the objects the discussion of which ought to develop a new spirit which would direct the relations of states in the future. Evidently then the duty of arranging international differences of opinion would result no longer by the force of arms but by a pacific process, principally by arbitration, the efficacy of which we fully recognize in the maintenance of peace. The Imperial Government will sustain therefore any proposition to this end compatible with the vital interests of the Em-

pire and the German people. By the geographic position and by the economic needs Germany is dependent upon peaceful relations with its neighbors and with far distant countries. Therefore no people more than the German people have more reason to desire that a spirit of conciliation and fraternity between the nations should succeed to the hatred and struggle.

When peoples inspired by this spirit will have recognized for their common welfare that union is preferable to division in their relations they will be able to regulate the different questions remaining in discussion in a manner to create for each people satisfactory conditions of existence and to render impossible a return of the great universal catastrophe. It is only in the foregoing conditions that a durable peace can be founded which can add [*aid?*] the spirit of the intellectual *rapprochement* and the economic rehabilitation of human society.

This firm and sincere conviction awakens among us the recognition that our adversaries as well will find in the ideas proposed by His Holiness a basis on which can be prepared the paths for a future peace in conditions in harmony with the spirit of equity and with the situation of Europe. Signature of Chancellor of Empire.

Translation Austrian response follows:

Holy Father, it is with profound respect and sincere emotion that [we] have become acquainted with the new step undertaken by Your Holiness fulfilling the sacred charge which God has confided to you which you have made to us and to the leaders of the other belligerent states in the noble intention of bringing the peoples hard tried to an understanding which can bring peace again to them. We have welcomed with grateful heart this new proof of your paternal solicitude that you, Holy Father, have always shown to all peoples without distinction, and we have greeted from the bottom of our souls the moving appeal that Your Holiness has caused to be addressed to the governments of the belligerent peoples.

During this cruel war we have always looked on Your Holiness as the highest personality who, thanks to your mission which passes the affairs of this world and thanks to the high conception of duties which have been confided to you, soars above the belligerent peoples and who, sheltered from all influence, might try to find a possible way of realizing our own desire of bringing back a durable peace and one which is honorable for all peoples. Since we have mounted the throne of our ancestors fully recognizing the responsibility which falls upon us before God and men for the future of Austro-Hungarian dynasty which has been confided to us, we have never lost from sight the high object of making our peoples as soon as possible enjoy again the benefits of peace.

A little after our assumption of power it was confided to us in common with our allies to undertake a step conceived and prepared by our illustrious predecessor, the former Emperor and King, Franz Josef I, in favor of an honorable and durable peace.

In our speech from the throne delivered at the reassembly of the Austrian Imperial Council we have expressed this same desire and declared that we sought a peace which liberates the people in the

future from hatred and thirst for vengeance and which assures them for numerous generations from all appeal to armed force.

Since that time our common Government has not failed by reiterated and persuasive declarations that all the world could hear to express our desire and the desire of the people of the Austro-Hungarian Monarchy to put an end to the flow of blood by a peace similar to that which Your Holiness proposes.

Happy to think that the wishes which have been ours since the beginning are turned towards the same object that Your Holiness to-day indicates to us, we have submitted to a careful examination the concrete and practical suggestions that Your Holiness has recently made to us, and we have arrived at the following conclusions regarding them.

With the strength of a deeply rooted conviction we greet the master thought of Your Holiness that the future organization of the world ought to be based on the suppression of armed force, on the moral force of right, on the supremacy of international justice and equity. We hope also, and we are persuaded, that the recognition of the knowledge of right will morally regenerate humanity. We share therefore the conception of Your Holiness that negotiations of the belligerents should and can lead to an understanding as to how, after establishment of satisfactory guarantees, armament on land, on water, and in the air shall be simultaneously, mutually, and successively fixed or limited and as to how the high seas, belonging by right to all peoples, shall be freed from the domination or supremacy of a single nation and be opened to the equal use of all.

Fully recognizing the importance for the establishment of peace of the means proposed by Your Holiness to submit the international difficulties to obligatory tribunal of arbitration, we are ready to enter into negotiations also on this proposition of Your Holiness. If, as we desire with all our heart, one could succeed in reaching an agreement which realizes these sublime ideas and thus guarantees to the Austro-Hungarian Monarchy an unrestricted development in the future, then it will not be more difficult in a spirit of equity and realizing the mutual necessities of existence to reach a solution of the other questions which must be solved between the belligerents.

If in accordance with the proposal of Your Holiness the people of the earth enter peacefully into negotiations one with another, then a durable peace can be born therefrom. They can have the complete freedom of the high seas, they can free themselves from the heavy material burden, and new springs of prosperity can be opened to them.

Inspired by sentiments of moderation and reconciliation we see in the proposals made by Your Holiness bases to begin negotiations for the establishment of a peace just for all and which will endure, and we eagerly desire that our enemies of to-day they also should be animated with the same ideas. To this end we pray the All Powerful that He will bless the work of peace prepared by Your Holiness.

We have the honor to sign ourselves the obedient son of Your Holiness. Charles.

WILSON

File No. 763.72119/872

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *October 2, 1917.*
[*Received October 3, 1.45 a. m.*]

1782. Translation of Turkish reply to Pope's peace proposal follows:

It is with a feeling of high consideration and profound sympathy that we have become acquainted with the moving appeal that Your Holiness addressed to us as well as to the chiefs of the other belligerent states in the noble intention of putting an end to the present war, the most terrible that the world has ever lived through, and thus bringing back peace and harmony among the peoples. The high thoughts that spring from Your Holiness's declarations as well as the sentiments of great love which animate Your Holiness towards suffering and distracted humanity and the loyal pleas have profoundly touched us.

The cordial [and loyal exhortations which the] Holy See has renewed up to now with an undoubted impartiality to put an end to the cruel struggle which for more than three years ravaged the most precious strength of so many peoples have found us even the better disposed in that our Government, as it has always had the courage to announce, does not seek any unjust object neither in the political domain nor in the economic domain. We have been forced to fight for the maintenance of our existence and of our independence as well as for the free development of our country.

This object, absolutely justified, which consists essentially in the guaranteeing of the rights of our entire and limitless sovereignty over all the territory of our national frontiers—that is what we are aiming for to-day. We have been animated unceasingly with the desire to assure to our country the benefits of a just and durable peace and as always in accord with the will of our people we have desired the progress and welfare of our Empire in all directions in complete harmony with the other states. Penetrated with these sentiments and with the knowledge of our duties towards the All Powerful and humanity we have in accord with our allies during the month of December of last year proposed to our adversaries to enter into negotiations for a just and durable peace. Although we have made known several times since our intentions in this sense, those intentions meet with no echo. The proposition of Your Holiness which tends essentially to create a peace established upon rational basis, a durable peace such as we have always dreamed of, can therefore only meet with our approbation.

Your Holiness announces that the future organization of the world must be founded on the exclusion of arms, on the moral force of right, on the triumph of justice, on international justice and equity. The realization of this so noble idea, which would have as a direct result the assured right and real equality without differences of all states in the measure that they are members of the international

community, seems to us the only means of preserving the universe from future catastrophes and to avoid conflicts between nations which are the cause of suffering and desolation.

Like Your Holiness, we think that to reach this humanitarian object all future negotiations ought to be directed to finding the most practical means and the most efficacious means for bringing about a reciprocal and progressive limitation of armaments on sea, on land, and in the air, and thus to put to the development of progress and civilization and of happiness of humanity all the riches and resources of all the peoples. But these negotiations, as Your Holiness says, ought to regulate in an equitable manner the question of the freedom of the seas which is [for] the common good of all peoples and should definitely abolish for the future all ideas of hegemony.

The proposition of Your Holiness to submit international conflicts to an obligatory arbitration seems to us also of a great importance.

Penetrated by the grandeur of this idea and by the beneficial results that it can have we do not hesitate an instant in declaring that we are ready to discuss at the moment negotiations of peace and means capable of calming international conflicts taking into consideration the guarantees which belong to sovereign existence and to the free development of peoples.

It is thus that we believe that the proposal of Your Holiness contains ideas capable of calming the present conflicts and of bringing about a general and durable peace.

We are also convinced that if our enemies are from to-day animated with the same thoughts and the same sentiments which are in harmony with the justified objects mentioned above, nothing would longer oppose the opening of peace negotiations as Your Holiness desires it in the nobleness of your heart.

May the All Powerful always guard Your Holiness in the nobleness of your heart, may the All Powerful guard Your Holiness unceasingly under its divine protection!

WILSON

File No. 763.72/7096a

The Secretary of State to President Wilson

[Extract]

WASHINGTON, *October 3, 1917.*

MY DEAR MR. PRESIDENT: The French Ambassador called upon me this afternoon and said that his Government were greatly disturbed over the situation in Russia and that it was proposed to hold an inter-Allied conference in Paris as soon as possible to consider what means might be adopted to aid Russia and prevent further disintegration. He said that the date tentatively fixed for the meeting was October 16 and that his Government were most anxious that the United States should be represented at the conference.

He said further that while he hesitated to speak there was a feeling in Paris that Colonel House would be most acceptable as our representative in order that all the phases of the situation could be fully discussed. I asked him if I should present this suggestion to you and he was doubtful about it as he feared you might not like such a suggestion. I replied to him that I was sure you would understand the hesitation which he felt in presenting it and would myself take the responsibility of submitting it to you.

. . . . . .

Faithfully yours,

ROBERT LANSING

File No. 763.72119/874

The Minister in Belgium (Whitlock) to the Secretary of State

[Telegram]

HAVRE, *October 3, 1917, 7 p. m.*
[*Received October 4, 10.35 a. m.*]

96. Your 285, September 28, 6 p. m.,[1] and my 94, September 30, 1 p. m.[2] Baron de Broqueville returned from the front to-day. He authorizes the following statement: "If that note is true it is an insolence added to the injury already done Belgium."

WHITLOCK

File No. 763.72/7112

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *October 3, 1917, 11 a. m.*
[*Received October 4, 1.55 p. m.*]

2561. Your 2681, September 28.[3] Mr. Vesnitch[4] desires me to express sincerest thanks to the Department for the invitation extended to him and his mission to visit the United States sometime during this autumn. He informs me that he is planning to sail from France in about a month. Confidentially he told me that in his talk with members of a committee of Jugoslavs who desire to visit the United States in company with the Servian mission he had discouraged them from so doing pointing out the unusual position which they would occupy as the subjects of Austria-Hungary as

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[1] *Ante*, p. 214.
[2] Not printed.
[3] Not printed; repeats instructions of the same date to the Special Agent in Corfu, *ante*, p. 214.
[4] Milenko R. Vesnitch, Serbian Minister in France.

well as the fact that they would have no official character. He expressed the opinion that there was not the least likelihood their joining mission or visiting the United States. In view of the mutual distrust which I have been led to believe exists between the Italian Government and the Jugoslavs a reception of the latter's representatives at this time might prove an additional embarrassment. SHARP

File No. 763.72/7128

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram—Extract]

BERNE, *October 4, 1917.*
[*Received October 5, 11.10 a. m.*]

1802. Press reports:

Swiss press, 4th, reports Czernin speech, Budapest. Austrian aim creation new world order shown in answer to papal note. Willing to lay down arms and settle questions by arbitration. Disarmament, freedom high seas, and no *post bellum* economic war. One-sided indemnities foolish in view of Allied ravages Central powers' territory and colonies. If Entente leaves Central powers occupied territory Austria could give up territorial aggrandizement. Conciliatory spirit will not be lasting if Allies continue war and in that event Austria will have to demand indemnity as she intends keeping free hand.

. . . . . .

WILSON

File No. 763.72/7115

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *October 4, 1917.*
[*Received October 5, 4 a. m.*]

1435. German press summary. Berlin papers received Czernin's speech very favorably.

Norddeutsche Allgemeine Zeitung writes: In advocating future regulation international affairs, Czernin stands on firm ground of what Austria-Hungary has attained in war. Austria-Hungary has proven in battle right to live and defend her place in society of nations. She can now offer hand for agreement on basis mutual recognition vital national rights and this applies likewise to other

members of our alliance. Czernin's expectation that enemy war aims will be still further contracted, accords without [*with our?*] joint position of strength. He opposes strong words of enemy statesmen with strong facts which admit our conciliatory language and leave no doubt on fact we shall not be bound by present program in case enemy wish continuance war. We await evidence of new spirit from the other side.

Vossische Zeitung terms speech last call for accommodation peace and states *Norddeutsche Allgemeine Zeitung* article shows Germany recognizes correctness Czernin's tactics.

Deutsche Tageszeitung apprehends speech will encourage enemy and prolong war.

Berliner Tageblatt fully agrees with Czernin on possibility and necessity limitation of armaments and says Czernin in singling out great and decisive questions of future shows statesmanlike insight unbiased by purely military considerations or pacifistic dreams or [*of?*] Utopias and points straight to great object which we, with him, are convinced can be reached because it must be reached.

Germania considers speech document of greatest political importance which for first time exposes profound meaning and far-reaching objects of peace by accommodation and gives substance to idea of world reform heretofore dismissed as Utopian.

Lokal-Anzeiger doubts practicability of Czernin's demobilization plans but says speech is bound to make deep impression on Entente as no enemy statesman has ever spoken with such sincere peace feeling as Czernin. Czernin's conferences in Berlin showed German Government completely in accord.

Pesti Napló reports Czernin's speech submitted to Emperor Charles and approved.

Vorwärts editorial on Belgium says pressure German peace movement in direction statement regarding Belgium would be incomparably stronger and simply irresistible were it clear that with the removal of all doubts regarding Belgium the last obstacle to peace negotiations would fall. At present it is felt in Germany that any statement regarding Belgium would be greeted with same ridicule as all other peace offers and looked upon as sign of weakness. This manner of treating things greatly encumbers German peace movement. We Socialists don't need to say we want free Belgium in any circumstances but give us visible sign straight road to peace leads across free Belgium and all Germany will stand up for Belgium. A statement excluding all possible doubt will be made and the road to peace will be clear.

Socialist Ernest Heilmann writing in Chemnitz *Volksstimme* rejects idea continental coalition against England, continental coalition with Russia, and says peace of understanding is only possible with

English-German agreement. Continental coalition against England could only be formed by continuing submarine war until England's decisive defeat. Alliance with Russia could only be considered as means to general peace but now Russia has failed and is closer than ever to England. Early peace is only possible through establishment German-English understanding and community of interests. We must now pursue this course by surrendering Belgium and other territory of importance to England. Next few weeks will probably show whether this course is the right one or whether England persists in plan complete overthrow of Germany.

Rheinisch-Westfälische Zeitung quotes editorial Springfield *Republican* depreciatory of Japan's help in war.

Vorwärts comments on uncommonly high infant mortality in Berlin this year, attributing it to poor quality milk. Statistics show mortality nearly 7 per cent higher this year than last.

GARRETT

Report, October 6, of German Overtures to Great Britain through Spain—Discussion of War Aims by the Serbian Premier—Reports of Conditions in the Central Empires

File No. 763.72119/8290

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *October 6, 1917, 3 p. m.*
[*Received October 7, 10.50 a. m.*]

7355. Mr. Balfour with Lord Hardinge, Under Foreign Secretary, called the Ambassadors of the United States, France, Italy, Russia and Japan, to meet him at noon to-day.[1] He read us a telegram from the British Ambassador at Madrid saying that the Spanish Foreign Secretary had informed him that the Spanish Government had received a request to inquire whether the British Government would receive from Germany a communication regarding peace. The British Ambassador replied that he could not say, but that he thought the British Government's answer would depend on the contents of the communication and on its source. The Spanish Secretary of State for Foreign Affairs said that the request had come from " a very exalted personage " and that he could not give further particulars. He added that the Spanish Government had no intention of mediating or intervening, but that it thought it proper to transmit the question to the British Government.

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[1] See telegram from the Minister in Sweden, No. 1131, Dec. 6, *post*, p. 455.

Mr. Balfour then gave us each a copy of the British reply which he is sending to the British Ambassador at Madrid. It is as follows:

"His Majesty's Government would be prepared to receive any communication that the German Government may desire to make in relation to peace and to discuss it with their allies."

Mr. Balfour went on to explain the indefiniteness of the Spanish Secretary's conversation and expressed his strong suspicion that this move was only an effort to divide the Allies. He suspects that Germany hopes to satisfy the United States and Great Britain by a proposition regarding Belgium, to satisfy France by a proposition regarding Alsace-Lorraine, and so all the way around separately dishearten one government after another. He suspects also that Germany will try to induce at last [*least*] some of the Allies to meet German representatives in conference without definitely stipulating peace terms beforehand.

Mr. Balfour committed the British Government to the plan of discussing every German proposal with all the great powers engaged in war against Germany before answering the correspondence, and he assumed that all these powers would do the same. Balfour requested the utmost secrecy about the whole matter at least till more definite developments.

The British Foreign Office has had this telegram from the Ambassador at Madrid for a fortnight, Balfour remarked, and that he thought too prompt an answer would be bad diplomacy. I have no doubt that another reason for waiting so long to reply to it was the wish to see the result of the battles in France which Haig has won and that these victories make a reply now more opportune. . . .

. . . . . .

I have strong but not conclusive evidence that the Kaiser sent for Villalobar, Spanish Minister at Brussels, . . . and that Villalobar conveyed the message to the Spanish Government. The German Ambassador at Madrid knew nothing till long after it had been delivered. Since the Germans did not use their own diplomatic channel they left themselves free to disavow Villalobar and deny that he had authority from them if the course of events goes awry.

PAGE

File No. 763.72119/10493

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *October 8, 1917.*
[*Received October 9, 5.20 a. m.*]

7363. My 7355, October 6. Conversations with members of the Government and especially with intelligence officers who know best

what is going on in Germany reveal the following facts and opinions:

The German peace inquiry is regarded as the beginning of the end but the end is hardly expected soon. The prevailing idea is that the Army General Staff which has all the real authority in Germany realize the impossibility of a military victory and think it wise to yield before the American Army fights and with the hope of saving the dynasty and its surpassingly autocratic power. Von Kühlmann and the financial and manufacturing interests wish to save Germany's economic opportunity after the war, and peace movement will be made chiefly with reference to this. In consideration for giving up Belgium and the French provinces the Germans will demand free access to the markets and credit in Allied countries. The European Allies will not make such an agreement. They realize that artificial and merely punitive commercial measures cannot be permanent but since German commercial methods were distinctly war measures they will be reluctant to agree to a general commercial peace as a condition of ending the war. Every nation will probably reserve its freedom to act in this matter as best suits its interests. Great Britain, France, Italy, and Russia do not wish to open a free door for commercial exploitation again and the case of each differs in degree and kind from every other. Their aim is not mainly punitive but rather defensive.

The German Army can yet hold out long before a complete defeat and the feeling here is that it will so hold out and prolong preliminary peace efforts, directed chiefly to preserving German economic opportunity. The European Allies will not consent to a peace conference before hopeful German terms are specifically and authentically stated.

Another subject that engages British thought is Germany's southeastern ambitions. The British are resolved not to permit a German yielding in the west to cause them to forget or neglect the Berlin-to-Bagdad German scheme. The Germans obviously wish to put off the western allies by yielding western local interests.

Still another point of increasing importance in all peace thought is the submarine. If Germany be left free to manufacture submarines she may in a short time again attack British and American commerce. No complete antidote to the submarine is expected. It will probably have to be met only by the present methods of defense and attack, and a very large submarine fleet could be built in a few years at small cost and could again play havoc with ocean commerce and possibly even carry war to America. Peace conditions must cover this subject.

Since the war began about 40 per cent of German submarines commissioned have been captured or destroyed but the percentage

of the German losses in the early stages of the war was larger than now and the Germans are believed to have nearly 200 under [construction?]. Abundant convoys carrying depth charges are the best defenses yet tried but these cannot prevent a considerable toll on commerce.

. . . . . .

The British thought of peace conditions therefore includes not only Belgium, Alsace-Lorraine, Servia, and Poland, but also the future of the submarines, the Berlin-Bagdad scheme, and the intricate question of commercial and financial relations to Germany after the war.

The British military feeling is a feeling of complete confidence in a probably slow but an absolutely sure victory, but an early peace, though possible, is not expected. A long and devious peace effort by Germany is looked for, directed towards dividing the Allies and towards insuring German economic post-war opportunity by which the Germans plan to prepare for another and more successful attack on democracy.

PAGE

File No. 763.72119/912½

The Italian Ambassador (Macchi di Cellere) to the Secretary of State [1]

FREE TRANSLATION OF THE NOTE HANDED BY THE VATICAN TO THE ENGLISH MINISTER ACCREDITED WITH THE HOLY SEE ON THE 28TH OF SEPTEMBER, 1917

The closing of the Swiss-Italian frontier having prevented the transmission of the diplomatic courier during several days, the Holy See has received with delay the answers of Germany and Austria to the papal appeal for peace.[2] The undersigned Cardinal Secretary of State of His Holiness hastens now to send to Your Excellency an authentic copy of that document.

Germany's answer contains an explicit acceptance of the first and second paragraph of the Pope's appeal. Of the other four paragraphs the acceptance is implicit on the face of the various parts of the answer. As concerns the words: "agreeable with the peace manifestation of the Reichstag of July 19, ultimo" the Holy See has particular and strongly founded reason to believe and proclaim that they must be understood in the sense that Germany accepts the third and fourth paragraph of the papal appeal.

In Austria's answer the acceptance of the Pope's proposals, including the fifth and sixth paragraph, is even clearer. The answers

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[1] Covering letter of Oct. 9, 1917, not printed.

[2] See telegram No. 1769, Sept. 30, from the Chargé in Switzerland, *ante*, p. 217.

having been prepared jointly, it seems that there can be no doubt that they complete each other.

It would undoubtedly have been desirable that, in the interest of peace, the answers had been explicit on all single points. It must be recognized however that, even as they are, they leave an open door to an exchange of ideas. If therefore the Governments of the Entente, moved as they are, by the desire to restore peace in the world, do not refuse to enter into negotiations, the Holy See is disposed to lend its assistance to ask for further explanations on the points which may be suggested.

So far as general disarmament is concerned, it is desired by everybody and is the foundation of peace and prosperity. His Holiness in deference for the warring powers, did not deem proper to indicate in his letter the means to attain and maintain it, thinking it better to leave the question unprejudiced and wait for the favorable occasion to determine it.

But His Holiness thinks that the only practical and easy means to reach this end is the following: by agreement among the civilized nations including nonbelligerents, compulsory military service is simultaneously suppressed. At the same time an international tribunal of arbitration is instituted for the purpose of defining all international controversies and sanctioning the complete isolation of any nation that might try to re-establish compulsory military service or should refuse to submit to arbitration any international controversy, or should refuse to submit to the decision of the arbitration tribunal.

Even leaving aside any other consideration, the recent example of England and America prove that the volunteer system furnishes the contingent necessary to the maintenance of public order but does not furnish the enormous armies that are required to carry on a modern war.

Once compulsory military service is, by common agreement, suppressed and the volunteer system is established in its stead, general disarmament would follow almost automatically without any perturbation of the public order and with all the consequences regarding the establishment of such permanent peace as is possible in this world and the restoration, in the shortest possible period, of the ruined finances of all nations. This without touching on other advantages the importance of which anybody can readily see.

Compulsory military service has been for over a century the cause of many evils. The remedy for such evils lies in the simultaneous and reciprocal suppression of compulsory military service. Once this is suppressed, it could not, even in the present constitution of the Central Empires, be re-established without a parliamentary law the passing of which is improbable for many reasons,

especially in view of the fact that it would require the approval of the people, as has been even recently said in a document by a highly authoritative personage.

[No signature indicated]

File No. 763.72/7186

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *October 8, 1917.*
[*Received October 9, 11.50 a. m.*]

1452. German press summary:

Vorwärts describes Reichstag meeting Saturday black day for Government. Socialist speaker demonstrated in moderate speech indefensibility of official support of Pan-German agitation, but Minister of War and Vice Chancellor saw fit to treat matter lightly. Chancellor who didn't think it necessary to be present should have foreseen extraordinary importance of discussion and not left matters in hands Helfferich who has particular talent for spoiling simplest matters. Independent Socialists proposed motion stating that Government reply to Socialist interpellation doesn't correspond with views of Reichstag. If this motion passed Michaelis and company must pack their trunks or the Reichstag must force them to do so.

National-Zeitung. If Germany were parliamentary country question of confidence involved would mean new Government crisis. Reichstag will now have to consider whether Helfferich has shown himself particularly qualified for peace negotiations.

Berliner Tageblatt speech of Socialist Landsberg cleared the atmosphere since it voiced indignation and bitterness felt throughout the country at unscrupulous Pan-German agitation. His speech was ably seconded by Progressive speaker who inquired who was responsible for these things and demanded that Government at last make clear its position. The fact that Chancellor left matters to Helfferich shows that he has false ideas about feeling of the Reichstag and the capacity of his Vice Chancellor. Proceedings showed Helfferich's position precarious, and as soon as the question regarding the Vice Chancellor is settled an invitation will probably be issued to Chancellor to come and say what he thinks.

Weser-Zeitung states Progressive representative Von Payer spoke with Helfferich towards close of session and is supposed to have told him by order of the Majority parties to inform Chancellor that they expect from him a declaration, after hearing which they will decide concerning action to be taken in connection with vote of

mistrust proposed by Independent Socialist. Majority parties met Sunday to discuss ways and means for joint action. Further rumoured Chancellor made declaration to Majority parties which they found unsatisfactory.

Germania writes that speech of Socialist Landsberg was convincing, called for statement by Government expressing regret at what had happened and promising remedy, but War Minister and Helfferich were not sensible enough to confine themselves to this and made the mistake of attacking the interpellators. War Minister is undoubtedly an excellent soldier but after three years of war our military authorities should have learned that there are places where things cannot be treated in the army tone alone. Unfortunately Helfferich instead of pouring oil on troubled waters made matters still worse. He had excellent opportunity to perform good service for Government and help his own position but instead he spoke with gruffness and utter lack of necessary parliamentary skill so that many thought he deliberately flouted Reichstag. It is now necessary for Chancellor himself to take matters in hand and create necessary atmosphere of quiet.

Vossische Zeitung writes vote of distrust is directed really against Helfferich although formerly against Chancellor and when vote is taken Majority parties cannot possibly express confidence in Vice Chancellor who is himself to blame for bringing matters to this pass.

Rheinisch-Westfälische Zeitung writes that Socialists dishonored Reichstag by terrorizing Helfferich and War Ministers.

Lokal-Anzeiger reports Chancellor, after discussing Alsace-Lorraine question with party leaders, left for headquarters, expected back Monday.

Kölnische Zeitung criticises statement *Westminster Gazette* Count Czernin's proposals should have been addressed to Emperor William and Hindenburg. Hindenburg himself said he wanted like the Pope to terminate struggle forced upon Germany but that enemy didn't want this. In later article *Kölnische Zeitung* assumes that Czernin's proposals have already been rejected because Entente doesn't wish just peace so that his offer no longer holds good and enemy must bear consequences in shape of less reasonable peace conditions.

Leading national liberty papers like *Kölnische Zeitung* and *Magdeburger Zeitung* express sympathy Fatherland Party provided that it really succeeds in uniting Germany and leaves aside all matters of internal politics. Conservative papers print with approval Wolff's[1] telegram on recent air attacks upon western German cities emphasizing necessity for Germany to make enemy bases as remote

[1] Wolff's Telegraph Bureau.

as possible and stating that it is an indispensable demand of self-defense for Germany not to have Belgium any longer dependent in political and military sense on Entente in future. Reactionary papers assume that this Wolff's telegram inspired claim that it follows from the arguments used that Germany must keep Belgium. *Frankfurter Zeitung* protests against this interpretation of an article not known to be inspired by Government.

Die Post writes that reliable reports dated August stated there was a strong anti-military movement in America as shown by small revolts and numerous manifest[ation]s which has been suppressed by brute force but may break out more seriously in near future.

A former military attaché at Washington, Von Herwarth, prints article in *Vossische Zeitung* claiming whole Entente hypnotized by England, sharply attacking President Wilson and claiming that war-weary Americans will sooner or later open their eyes, shake off English hypnosis and demand terrible accounting from Wilson.

Kölnische Volkszeitung reports Polish minister president will not be Tarnowski but Prince Drucki-Lubecki and that other members of ministry will be Count von Ronikier, former member of Duma, Lempicki and General Rosmworjski, and that it is expected Polish ministry will be definitely organized during this week.

Frankfurter Zeitung reports coal agreement reached between Germany and Holland, latter to receive 250,000 tons coal monthly from Germany. Dutch vessels fetching coal from England will not be attacked by German submarines if they sail in ballast to England. Germany further permits exports steel and iron to Holland absolutely required for ship construction and numerous industries. German demands respecting price of coal and credits were accepted. *Frankfurter Zeitung* daily war-loan indicator shows second billion subscriptions passed on 5th instant.

GARRETT

File No. 763.72119/886

The Special Agent in Corfu (Dodge) to the Secretary of State

No. 10 CORFU, *September 14, 1917.*
[*Received October 11.*]

SIR: I have the honor to report that Mr. Pashitch, President of the Council of Ministers and Minister for Foreign Affairs, who has been absent since my arrival here, returned to Corfu on the 12th instant and received me to-day. In the course of our conversation, which lasted about one hour, Mr. Pashitch made some statements which may be of interest to the Department.

Mr. Pashitch began by requesting me to convey to my Government an expression of his pleasure that it had sent a representative to reside near the Serbian Government: Serbia was a democracy like the United States in many ways and the relations of the two countries were bound to become closer in the future, especially when Serbia obtained seaports. He trusted that a separate American Legation might always be maintained to Serbia. He also appreciated highly the financial help which the United States was giving to Serbia, which would prove of such immense benefit to her people. He referred to the fact that Bulgaria had until recently refused to give any information regarding her Serbian prisoners but now showed a disposition to do so: like Mr. Nintchitch, Mr. Pashitch attributed this new attitude largely to anxiety on the part of Bulgaria caused by the entrance of the United States into the war.

The question of the Serbian Government's removal to Salonica, which had remained unsettled for so long, was about to be decided in the affirmative, although on account of the great damage caused there by the recent fire, it might be necesssary for the Government first to stop some weeks at Volos (about 100 miles northwest of Athens). It was important that the Prince Regent and the Government should all be together in order to facilitate consultation and also so as to encourage the Serbian Army. The army at the front and in and about Salonica now numbered about 130,000 men altogether, with however only about 26,000 effectives actually on the firing line. The troops were feeling the effects of five years of fighting, of their situation as exiles, and of their families being in want and oppressed by a foreign occupation of their country: their morale had become greatly lowered but recent reports received showed that it had somewhat improved. It would still further improve when the entire Government was established at Salonica.

Mr. Pashitch then referred to his visits to Paris, London and Rome and said that I might inform my Government that he had been greatly gratified by his reception at these capitals and at the statements made to him by the leading French, British, and Italian statesmen. There could no longer be any question that the Allies would push the war to a victorious conclusion and that Serbia would be restored.

I am informed that Mr. Pashitch had a long and private conference with the Italian Minister for Foreign Affairs Baron Sonnino. As to this portion of his trip, and the possibility of an agreement with Italy, Mr. Pashitch said that both the Governments of Great Britain and France had urged the Serbian and Italian Governments to come to an understanding and that the latter Government now appeared inclined to do so: he thought that it would be possible to

reach an agreement in the future. However the matter was an extremely delicate one and public opinion in Italy would have to be prepared. It was already somewhat more sympathetic. The pro-German and Irredentist press was a danger and would take advantage of any concessions made by Italy to attack the Italian Government. Also the Italian Government was always referring to the territorial advantages which had formerly been promised to them by the Allies. The Italian statesmen spoke of the necessity of Italy's controlling the Adriatic for her own protection. He did not like this point of view but considered that the protection of Italy would be better secured by an arrangement which would eliminate so far as possible the causes of friction and content the peoples concerned. Italy would never have anything to fear from Serbia even if united with Croatia and Slavonia. However he was prepared to allow Italy to have Valona, Pola, Trieste, "if she wished it," and certain strategic points on the Dalmatian islands. This would give Italy every guarantee of preponderance in the Adriatic. The Adriatic must however remain open to Serbia and all other nations; it could not become an Italian *mare clausum*. He added that he thought that the entrance of the United States into the war and President Wilson's proclamation of the right of all peoples freely to dispose of themselves had exercised a considerable influence in making Italy more willing to come to an agreement with Serbia.

Mr. Pashitch finally referred at some length to the future of the Austro-Hungarian Empire, stating that so long as it existed it must continue to be under direct German influence. Moreover whatever concessions it might consent to give through stress of circumstances to the Slav races within its borders, these would prove in the future as in the past wholly illusory: this would be the case even if Austria-Hungary granted to them complete autonomy. If autonomy were granted, foreign policy and the Army would remain in the Austrian Emperor's control and would therefore be directly controlled by Germany. He considered the liquidation of the Austro-Hungarian Empire to be the only solution, in which case, in accordance with President Wilson's views, all the races composing the Empire would be given an opportunity to dispose freely of themselves. The Jugo-slav peoples would then undoubtedly unite themselves to Serbia, Galicia would join Poland, the Czechs and Slovaks would form an independent state as would also Hungary, deprived however of its Rumanian population which would unite with Rumania. This would only leave the German provinces of Upper and Lower Austria, the original possessions of the House of Hapsburg, which would remain an independent state or enter the German Empire. This accretion of strength to the German Empire would be almost exactly

compensated by the loss to France of Alsace-Lorraine, to Denmark of Schleswig-Holstein and to Poland of the Polish provinces of Prussia.

Germany would thus be completely surrounded by a barrier of democratic commonwealths which would have every reason for allying themselves together politically and economically against her until she also was forced to adopt a truly democratic and responsible form of government. Mr. Pashitch intimated that this solution of the Austro-Hungarian problem was one which the Italian Government also considered favorably. I may add in this connection that my Italian colleague here appears to be strongly in favor of an agreement between his country and Serbia which he states that he considers quite possible. He would seem to be somewhat anxious lest, in the absence of such an agreement, it may be possible for Austria-Hungary to make some agreement with her Jugoslav subjects which will make them satisfied to remain in the Empire. He lays considerable stress upon the differences between the Serbs, Croats and Slovenes, the two last being peoples of advanced civilization with prosperous industrial interests, while the Serbs, although a fine race, are extremely primitive and exclusively peasant-farmers. He, as well as others who know all three races well, express doubt as to whether they could unite happily in a single state and even whether the majority of the Croatian and Slovene peoples really desire such a union.

In ending I may mention, also in this connection, that a Serbian military mission, headed by General Vassitch, has recently visited Italy, ostensibly to present certain decorations to Italian officers. They appear to have been extremely well received and were taken to the Carso front. They also participated at a ceremony in Rome in honor of the Italian dead at which the better understanding between Italy and Serbia was mentioned by the official speakers.

I have [etc.] H. PERCIVAL DODGE

File No. 763.72119/888

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *October 11, 1917, 6 p. m.*
[*Received October 12, 12.35 a. m.*]

1374. The speech in the Reichstag of the German Minister for Foreign Affairs on the 9th instant contains the first authoritative and specific declaration of Germany's attitude on any one point which may be presented at the future peace conference—that any alienation of Alsace-Lorraine will in no case be admitted but that

all other questions, however, susceptible of arrangement through negotiation, apparently on the theory that the usual result of arbitration is compromise and thereby hoping to realize a large portion of their plans.

Can they by giving voice to this unalterable resolve hope to dishearten the French who they may imagine are nearing the end of their resources; or is it an attempt to inveigle the Entente into a conference by creating the impression that if only the question of the recession of Alsace-Lorraine is not raised they will be found prepared to make substantial concessions on all other points; or to strengthen the peace parties in enemy countries by declaring Great Britain responsible for the continuation of the slaughter by supporting France's unrealizable ambitions in the hope that the various peoples once taken in by the German fallacy may refuse to continue the war? Everything would seem to indicate an intense desire on their part to negotiate peace, as they had planned, before the United States forces become fully effective.

The effect of such a declaration on the German people may likewise be marked and tend to deepen the conviction so sedulously cultivated by the Imperial authorities that Germany is the object of an unprovoked attack by wickedly envious and greedy nations and that not only Alsace-Lorraine but all the German territory up to the left bank of the Rhine is the plunder marked down by France. The entire speech is probably also designed to act as one of the stimuli which have been periodically administered to the German people especially at the approach of a winter campaign. Each of these motives would seem to have played a part in inspiring this most mendacious and insidious address.

AMERICAN LEGATION

File No. 763.72/7284

The Chargé in Switzerland (Wilson) to the Secretary of State

No. 1481 BERNE, *September 26, 1917.*
[*Received October 16.*]

SIR: At the request of Mr. James C. McNally, Vice Consul in charge of the Consulate General at Zürich, I have the honor to transmit herewith enclosed a report which Mr. McNally has drawn up on the conditions in Germany.

While I can not, of course, subscribe to all the conclusions which Mr. McNally has drawn in his report (no two men can think exactly alike on questions of such magnitude), the report is packed with information of great value.

I have [etc.] HUGH R. WILSON

[Enclosure]

Report by the Vice Consul at Zürich (McNally)

August 25, 1917.

During the winter of 1916–17, the German military authorities, in anticipation of the Allied announced spring offensive on the Somme, had drawn extensively on their reserve supplies of all kinds to meet this drive, the nature and extent of which had been carefully estimated in advance. In taxing this reserve supply, particularly in stocks of ammunition, explosives, field guns, gun metals, and materials and motor parts for airships, they had considered well the exact waste necessary to protect their strategic retreat already planned as early as December, 1916. This backward movement of an enormous army, the uprooting from concrete bases of hundreds of heavy field guns and their transportation back with munitions, wagons and supplies, out of possible range of the enemy's artillery fire, proved a stupendous undertaking and its success depended upon the secrecy in which it could be accomplished; for had the Allied forces advanced with their usual dash in the midst of this moving, a terrible and possibly a final blow would have been delivered to the flower of the German Army.

This is particularly demonstrated by the damage inflicted by the heavy British artillery fire, directed against what they considered the German positions, upon the remnant of the army detailed to cover the main German retreat, which was well under way before the Allies opened their great artillery fire. These losses covered men, munitions and field guns, and I am reliably informed that the nature and extent of the Allied artillery fire came as a huge surprise to the German Army, as did the speedy advance following this record artillery attack in which the dash and daring of the Allied forces took the Germans particularly off their feet. Therefore the expected successful strategic retreat, so carefully arranged, was more or less disrupted by the force and general character of the enemy's energetic maneuver. I am informed that the German losses during this drive and the stupendous artillery bombardment of the Allies numbered over 100,000 men in killed and wounded, many field guns and munitions.

The order regarding field guns is to save as many as possible, even though disabled, for use in moulding other guns. This is due to the growing shortage of gun-making materials. During the months of April, May and June of the present year, the growing scarcity of steel became alarming, but extra supplies from Sweden have replenished their stocks so that work on *ersatz* cruisers as well as new battleships has been renewed.

In the early part of the present year, the German military authorities submitted to the various government plants, engaged in the manufacture of war munitions and raw materials, a careful estimate of requirements for different periods of the year, and directed that in the interest of economy they should adhere strictly to the program as laid down, with the hope that they could so systematize the output as to cover the 1917 and much of the 1918 requirements if necessary. It was thought, in thus operating under a system, that in the matter of army requirements the war could be continued at least through 1918; but the aggressiveness of the Allied attacks as above, and the sporadic awakening of the Russian Army, forced them to change these estimates and to draw on reserve supplies. In many instances supplies intended to carry through 1917 were exhausted before August 1 of the present year.

There is an apparent shortage in hand grenades, motors for airships and submarines, heavy guns, field mortars and howitzers; besides, many of the field guns now in use have lost their effectiveness through rough and constant usage and are now only in commission because others are not available.

Many of the guns in use at Flanders have been taken from the fleet, which, being mined in and no further sea fight expected, can well spare them. This fact is particularly emphasized by the many accidents to the smaller German war craft that proceed to and from the North Sea entrance to Wilhelmshaven.

The fierce Allied offensive in Flanders, and the compelling necessity for German defensive action, caused another drain on their ever-decreasing supplies, a condition that is becoming a source of great worriment to German military authorities, who are living in the hope of a substantial lull in the enemy activity to afford them an opportunity to replenish their reserve stocks in munitions, made low through an extravagant expenditure of supplies.

In my judgment, the Germans are running short of munitions. Not to such an extent as to forecast immediate danger, but to make them wary of a lavish use. Raw materials are becoming scarcer and while they have on hand apparently enough to meet their present requirements in explosives and all inflammable substances, they are being drawn upon beyond the defined measure.

A constant and unceasing drive on the part of the Allies, followed by a dash that would scarcely permit them to get well set; a continuous maneuver that would force them to expend continually their munitions and use their field guns of all sorts, would, I believe, go far at this time towards a lesser resistance on their part, and while this might involve the loss of many men it would certainly hasten the end.

I have been reliably informed that the German Military are extremely worried about their decreasing stocks of raw materials, and they are endeavoring in every way to provide against it. The great scarcity of wool in Germany is being seriously felt, while cotton and certain raw materials used in its manufacture utilized in the manufacture of war munitions are almost exhausted. The German scientists are working overtime to create something of an *ersatz* nature that will tide them over this want.

The German military authorities are extracting glycerine and other substances from the carcasses of dead horses and other animals. There is no truth in the report that human bodies are used for that purpose.

Up to the time of the recent demoralization of the Russian Army and the German advance in Galicia, the spirit of depression and discontent was noticeable throughout Germany. The workmen particularly, suffering from insufficient nourishment, were readily influenced by certain Russian propagandists, which, with the announcement that the United States had entered the war against them, had for a time a demoralizing effect on the people. The great Russian setback and the German advance towards Russian granaries proved a great uplift and stimulated to activity those who had apparently abandoned hope of success, so that to-day, fed up as they are by the authorities with promises of immediate food relief, the German people are for the present at least united in the determination to fight to the end.

In May and June of the present year about 10,000 workmen in Kiel engaged in naval vocations made a demonstration against the German governor there, Admiral Bachmann, crying for potatoes. They claimed that, while the officers and men on the ships were liberally supplied, they and their families were in want. The nature of the demonstration was such as to intimidate the authorities, for they promised to comply with the wishes of the workmen, and to do so the officers and men of the fleet were forced to give over their potato supply for two weeks.

This class of workmen, thoroughly imbued with socialistic ideas, knowing their own present value in the building and repairing of warships, submarines and torpedo boats and employed in other naval marine vocations, are a living menace to the German Government which presents an opportunity if availed of which might prove a basis on which to build up a revolt against ruling conditions in Germany.

The German people are led to believe that a victory for the Allies would compass their disgrace and degradation and cause their financial ruin; that the British would annihilate and force them into abject slavery in retaliation for the losses inflicted on them through

the Zeppelin raids and submarine warfare; and that under these circumstances it is better to die fighting for the Fatherland than to be shot down like dogs. This false statement, strengthened by the excessive peace terms promulgated by Lloyd George, which lost nothing in their severity by German publication, not only gave the German pacifists nothing to stand on, but served to cause them to join with the Government in a fight to the end.

I am reliably informed that when the German Chancellor in December, 1916, sent his peace feeler to the world, it was because of the growing strength of the peace advocates both in the Reichstag and among the people, which was being felt in Berlin Government circles. He attached no peace terms to his insincere overtures, made only to draw from the Allies the nature of their peace terms in case Germany should express a desire for peace. The declaration of Lloyd George proved the death knell to the peace party in Germany and was given out by the Chancellor as a reply to the German peace party, who stood aghast at the extreme severity of the terms. From that time they agreed to forego all peace overtures and to join the Government in the prosecution of the war. My informant is certain that, had Lloyd George merely made representations that would create a basis for discussion, the peace party in Germany would probably have forced the Government to sue for peace. At this writing, there is no peace party of any strength in Germany. The leaders of the workmen's demonstrations are singly withdrawn from their vocations and sent to the front. This quiet transportation is made to avoid suspicion and not to indicate [*sic*] the wrath of the labor party. Nevertheless, all the leaders of such demonstrations sooner or later get their notice to go into the trenches. The Germans have learned well the lessons that brought on the Russian revolution and are profiting by that country's woeful experience.

In several parts of Germany incipient food riots have been started but they were suppressed without trouble. In Kiel only was the demonstration considered serious and the fact that none of the known leaders were openly punished shows to what a degree of patience the German authorities have come in the appreciation of conditions. In this Kiel uprising the authorities gave out the statement that it had been fostered by British gold and that the Russian propagandists, who bore German names, were hired by the British to scatter this gold and create discontent among the workmen.

From an inside knowledge of exact conditions I make the same declaration that I did in the ealy part of 1916 even with a failing crop against it, that the Germans cannot be forced to their knees through the starvation process. The present crop is better than those of former years; the people have in their winter coal, and bakeries

that have been closed for a year or more are doing business again and the supply of bread has increased one-third over last year. A revolution, in the face of the unaltered peace terms of Lloyd George, edited to infuriate the German people, is out of the question. To cause a division in Germany some terms should be promulgated that cannot be interpreted as stripping them of all they possess and making them vassals of England. Their minds must be disabused of the idea that should the Allies dictate peace terms they would include a demand for the confiscation of life, liberty and property. If they could realize that the defeat of German militarism would not deprive them of all earthly hopes it would go far to stimulate them to a degree of independence that might develop into a force sufficient to bring the war party to its true sense of duty, circumstances considered.

I believe that, if a publication propaganda could be organized to enlighten the German people as to the exact aim and intention of the Allies; if the words of President Wilson, as spoken in his address delivered at Washington, Flag Day, June 14, 1917: "We are not the enemies of the German people and they are not our enemies," etc., could be brought to their attention as expressed, it would have a great effect in determining their future attitude. To this end I have taken up with the Legation the matter of cooperating with the British in a publication propaganda through the medium of the Swiss press, of which probably fifty thousand or more copies filter through to Germany daily, the matter to be written here by persons employed for that purpose and having the Swiss coloring. In this enterprise the British would share the cost.

With the people open to conviction, the drain of German war supplies through repeated offensives and ruses that would cause them to expend them, with the excessive work their field guns would be forced to do, will certainly wear down their defensive strength sooner or later and bring us closer to the goal of victory.

For some peculiar reason the German military and naval authorities will not bring themselves to believe that the United States is seriously in this war. They credit us with a scare-head demonstration that lacks a substantial force and that beyond the massing of some forces in France to buoy up the waning hopes of the French people, and a demonstration at home to meet the British demands, we are peaceably inclined and will not enter into the war as an aggressive field or naval factor.

A story has recently come to me concerning the sinking of the *Lusitania* that may be of interest. A son of Schumann-Heink, the great singer in the United States, is now a petty officer on the German submarine *UC–52*. He has confessed to his commander that before

the *Lusitania* sailed he had been employed by Captain Boy-Ed, the German naval attaché at Washington, to place among the cargo of the *Lusitania* bombs or infernal machines timed to explode after the ship had reached its dock in Liverpool, the idea being to not only destroy the ship but the Liverpool docks as well; that it was on account of this knowledge, and fearful lest the explosion might take place before the time set, that Count Bernstorff warned the people booked for passage on that ship to cancel; that the miscarrying of Boy-Ed's plans was the cause of his great rage at the interference of Captain Lieutenant Schweiger, who torpedoed the ship.

This story would seem to agree with Schweiger's repeated declaration to friends that when he torpedoed the *Lusitania* he had no knowledge of the name of the ship other than it was British; that after firing one torpedo he submerged and came up to periscope observation later, only to note the name of the ship from the rear before the *Lusitania* sank; that he had no special orders to shoot down that particular ship but was prepared to take the initiative and torpedo any British ship that came within reach of his torpedo. He further stated that the ship so maneuvered as to give him a broadside, while reducing its speed from 24 to about 18 knots; that the ship, which could only evade the deadly contact of a torpedo by speed and steering a zigzag course, slowed down at a point where they knew, if a torpedo was to be launched against them, the submarine would be in that vicinity if anywhere; that he was there the day before and caught the British wireless messages showing that they had knowledge of his being there, and yet they did not send out convoys or instruct the captain of the *Lusitania* to proceed in the only way that could defeat the aim and object of a torpedo; that when his torpedo struck the ship and exploded, the smoke therefrom was entirely different in color from that of an explosion that occurred a minute later in another part of the ship.

This is the substance of the report on the sinking of the *Lusitania* made by Kapitänleutnant Schweiger to the German Admiralty immediately after he had accomplished his dastardly work. He was not decorated for some time after the sinking of the *Lusitania*, and when he was, it was not with the high order of the "Pour Le Merite" as reported, but with the lesser order of the "Household" or the "Hohenzollern" decoration. While his atrocious deed is not envied by his fellow officers in general, he is, in some circles in Germany, considered a hero. I am informed that in reply to an inquiry of a fellow submarine commander as to how he felt when he saw the scores of his women and children victims struggling in the water for life, he said that "It had no more effect on him than if they were a lot of sheep." I cannot vouch for the truth of this

statement but it comes from what I deem a reliable source. He is now operating, and with success, from the Zeebrugge base in Flanders.

I know of one submarine commander who declared, in the presence of four other naval officers, that if he was forced to sink an American vessel with a loss of life, he would consider himself a murderer. This sentiment is shared in spots in the German Navy.

The crystallization of the sentiment that compassed the downfall of Bethmann-Hollweg and others of the Government was due mostly to the failure of the Government to carry out their promise to the people that England would, through the unrestricted submarine warfare, be forced to sue for peace before August 1 last, as reported by me when the declaration was made in January, 1917. While the German people were more or less depressed because of the failure of their submarines to bring England to her knees on schedule time, as promised by the chief of the Admiralty staff, Admiral von Holtzendorff, and vouched for by Von Hindenberg and the German Admiralty, the Navy are thoroughly convinced that they can inevitably bring about what they failed to do on or before August 1, 1917, as promised. The young commanders as well as those who have been operating with submarines since the war opened are enthusiastic in their work, and, working under the expectation of high decorations, they have developed a daring heretofore unknown in submarine warfare.

The greatest registered successes so far come from the work of the smaller type of submarine, such as the 300-ton. These boats ordinarily carry 2 torpedoes and a crew of 12 men. They are armed with small 3-inch guns and operate with one small motor seemingly but little larger than those of the automobile type. They are, on account of their smallness, better able to escape mines and to maneuver about through the meshes of nets laid in the zones of their operations. Their size and motor power are a fatal disadvantage if they are once netted, for their strength and motor power are such that they cannot work through the nets, while the larger boats can.

It is certain that the military and naval authorities hope to win the war with their submarines. The commanders have been secretly advised to prosecute this work to the limit and to take every risk to compass the purpose for which this mode of warfare was introduced, and that, if they can continue to work as well as they have done thus far, victory will soon be theirs, and they, the submarine commanders, will have contributed much to that end. They are especially urged to energetic action before winter sets in and the consequent stormy weather that might limit their usefulness, although they are rapidly providing against this in the reservation

of the larger types and in the rapid building of the submarine cruisers, regarding which I have already reported.

The German Admiralty have seemingly mapped out a program of activity against the United States if they are forced to resort to defensive measures. These larger types can remain at sea under their own fuel for about two months, while the next in size can, if not constantly steaming, remain out almost the same time. They would, according to information received, string these boats along the Atlantic in pairs, and waylay our ships and transports. They bank on the stormy seas to hide their periscopes and give them a better opportunity to work.

The Admiralty has informed the submarine commanders that the published stocks in foodstuffs and other supplies in England are a huge bluff and that with their sinkings of about 800,000 a month, which they state is accurate, they have gotten England to the anxious stage. I can confidently state that not only do these submarine commanders believe the above, but are as certain of being able to win the war as that night follows day. They leave the Kiel Harbor with flags flying and flower-bedecked, while the bands and the people give them a hearty send-off. Many of them realize that their chances of returning are small, but they manifest no anxiety and it is a matter of do or die with them. The noted submarine commanders, Hersing, Steinbrink, Arnault de la Perrière, Steuter and others, are now working from the Zeebrugge base in Flanders. While the submarines are commanded by Oberleutnants and Kapitänleutnants, the submarine cruisers are under the command of Korvetten-Captains or three-striped officers. Four of these boats already completed have made successful trial trips but have not, up to the middle of the present month, been at sea. They are being reserved for future operations.

The smaller boats, that are being used principally for work against freight-carrying steamers, carry two torpedoes, as above mentioned. The time set for their being at sea is three weeks, after which they must report to their base, unless their torpedoes are exhausted, when they can come in for a further supply.

A new squadron, the fourth, has been formed, and comprises the *Kaiser*, *Kaiserin*, *Friedrich der Grosse* and two others of that type. The *Kaiser* is the flagship and the squadron is commanded by Admiral Mauve.

The *Baden* is the flagship of the Grand Fleet, the Commander in Chief being Admiral Scheer. The *Hindenburg* is the flagship of the battle-cruiser squadron with Admiral Hipper in command. The latter ship has a complement of 800 men, and is armed with 30-centimeter guns.

The *Baden*, *Bayern*, *Markgraf*, *Kronprinz*, *Grosser Kurfürst* and others of the larger ships now have 38-centimeter guns in place of the 30-centimeter guns with which they were armed during the battle off Jutland.

My latest information is that the German Army is well equipped with uniforms, boots, etc., and is provided against the winter weather with warm underclothing.

I am also reliably informed that the sinkings thus far since the opening of the submarine warfare on the first of February last, based on individual submarine commanders' reports, average close to 800,000 tons a month. As a commander's worth is based on the number of tons destroyed, and upon this showing depends the nature of his decorations, the commander is obliged to prove by four of his crew that the reported sinkings did take place, and I am told that one commander reported falsely, saying that his watch officer was ill and that his men being below could not see the effect of the torpedo; that he alone being at the periscope saw the effect of the torpedo. It was afterwards ascertained that the ship reported sunk was not sunk, and the commander was demoted to a mine-laying submarine, his case to be taken up after the war. This leniency was manifested because he had performed good services.

The old *Deutschland*, the freight-carrying submarine, is now a mine-laying submarine, as are the three others that were built for commercial purposes. They have been converted into mine layers, but carry guns and torpedoes like the others. Paul König, however, the commander of the *Deutschland* during her voyage to the United States with freight, is no longer with her, and has been appointed to some civil employment in Bremen.

The confidence of the German people is based on what they declare to be an exact knowledge of the condition of the French and British Army. They, of course, do not reckon the United States in their conclusions. They have, however, openly declared that without the assistance and encouragement of the United States their task could be completed this winter. They also declare that if we are seriously in the war we will have to win it for the Allies. They do not regard us as a very forceful factor in the struggle and say that a few months at the front will demonstrate that we are not prepared for the pace set in the present awful struggle.

The German system has operated effectively because unhampered by outside influences. It is a one-man affair in both branches, the Army and the Navy, and they are not hampered or molested in their operations by committees or legislative bodies. The work of the Reichstag is to vote credits, seemingly, and their influence does not in the least tend to military or naval things. Every branch

and department has its recognized head and he is to all appearances responsible only to the Kaiser or the powers representing the Kaiser. Prince Adalbert, the Kaiser's sailor son, is captain of the cruiser *Danzig*.

The fleets are keeping up their night and day practice with the submarine and torpedo-boat maneuvers as the leading feature.

A strict watch is being kept on Denmark and the Germans have placed their men and armament in position to invade that country and bombard should they manifest any special degree of friendship for the Allies.

The Germans claim that the recent offensive in Flanders was stopped after the Allies had suffered severely and that the reports in British newspapers as to German losses are as usual greatly exaggerated.

From the most reliable information I can say that the morale of the German Army and Navy is the same as in the early part of the war. They are fighting strong and their different divisions are fully equipped for the present. They fully believe they are winning the war and under that impression they are content to go right on. The submarine commanders express themselves to fellow officers of other branches of the Navy to the effect that they will force England to the starvation point, when, they contend, the people will rise up and demand peace.

Referring again to the battle cruiser *Hindenburg*, just put into commission, I have been informed that on her trial trip she developed such defects in machinery and construction that many internal improvements were made; that the officers on board feel that these defects have not been substantially remedied; and express the belief that, with the small caliber of her heaviest guns (30 centimeters), size of ship considered, she will not do the work expected of her in a sea fight. I learn that in a recent report made by a submarine commander who was operating on either the coast of Ireland or Scotland, he stated that upon coming to a periscope observation he found himself between two American destroyers, both of which he could have torpedoed without trouble had he been permitted to do so.

The Germans are fighting under the belief that France is practically all in, that they are merely holding their men in the trenches under the promise that the American soldiers will soon take their places and permit the French to return to their homes. They boast that Russia will offer no substantial resistance to their onward march, which confidence in Russian military disruption is manifested through the good work of their agents and the extravagant outlay of money among the various parties there.

A revolution in Germany, from present information, is a very remote possibility. She cannot be starved into submission, nor can the people, in their present frame of mind, be led to believe that the nations are fighting for her political emancipation. They must in some way be weaned away from their present erroneous belief that the world is seemingly united to compass their ultimate ruin and deprive them of all earthly hopes. They must be beaten in the field and on the sea. They must suffer a complete collapse due to the exhaustion of armament and supplies, a shortage of munitions, and on this latter possibility we should not only build our hopes but, with our Allies, force an expenditure that will eventually bring on that condition.

JAMES C. MCNALLY

File No. 862.00/209

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *October 15, 1917, 5 p. m.*
[*Received October 16, 5.55 p. m.*]

1394. Legation's 1371, October 11 [*10*], 4 p. m.[1] Conger [2] describes the political situation in Germany as "latent." It will probably not be solved by Capelle's resignation, announced yesterday morning, as the criticisms of the Government in both Reichstag and press indicate that the Chancellor was held largely responsible. The tendencies evident in the Reichstag debates and the accompanying press comment may be summarized as follows:

1. Evident diminuendo in generally accepted war aims particularly as regards Belgium: From being popularly regarded in early days of the war as German territory or as discussable only on basis of German military and industrial occupation, principle of renunciation is now generally accepted, even the *Tageszeitung* apparently admitting defeat on this point.

2. Crescendo in the demands for parliamentary government and general liberalization: In this question the Socialists alone seem to have the full courage of their convictions and only such Radical and Center elements as are represented by the *Tageblatt* and Erzberger appear to have fully grasped the conception that a complete break with the entire present system is necessary for Germany's salvation. The other sections of the Reichstag Majority while aggravated into evident disgust at the present order, particularly in view of the assistance officially given to the Fatherland Party, are

[1] Not printed.
[2] Seymour B. Conger, Associated Press correspondent.

too timid to break with the deep-rooted militaristic-bureaucratic tradition, partially perhaps from fear that it will lead to complete internal disintegration. The "liberals" in press and Reichstag certainly have a more confident tone as though they could bring about the fall of the present Government if they thought it desirable to insist.

3. Disgust of military and reactionary circles with the swing towards liberalism which is plainly evident from the activities of the Fatherland Party and the quotations made in the Reichstag from speeches, orders, etc., of military officials at the front and elsewhere: The Reichstag's assumption of a right to preponderating influence in national affairs is evidently highly distasteful to the military–Pan-German elements.

4. Increased stringency of military control in internal affairs and resulting increased irritation on the part of the civilian population: This evidenced by the greater violence of the criticisms in the censorship debates which brought to light instances of more severe internal military repression than in similar debates in the past. Heine's criticisms Hindenburg for expression of interference in internal affairs is interesting in this respect and marks the first public reference detrimental to the field marshal. The admission of the plot in the Navy is another interesting symptom although the readiness with which it was admitted indicates that the trouble was not regarded as serious.

5. All of the above has resulted in deepening and defining the internal divisions in regard to which the Government is still endeavoring to take a midway and anomalous position, Kühlmann alone having the sympathy of the Majority group. His formula of "no alienation of Alsace-Lorraine" together with his implication of "renunciation" in other questions may form, to a certain extent, the "program" for which the Radicals and Socialists have been clamoring and may partially neutralize the internal discord resulting from the other events of the session.

AMERICAN LEGATION

File No. 763.72119/900

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *October 16, 1917.*
[*Received October 17, 12.10 a. m.*]

1496. For Harrison from Anderson:

At last conference here was German just arrived from Berlin. He admitted some alarm over recent Allied operations; said that their line could never be broken through. British had to occupy the actual

strategic points they had fought for; said the German fighting manpower in the field had not been reduced; that recovered wounded and youth reaching fighting age each year exceeded annual losses. I had hard work to convince him that the American determination to fight to a finish was not waning. It has been widely spread in Germany that American majority had turned in favor of peace. He had the exaggerated story believed in Germany about soap-box orators voicing public opinion; that our peace societies were all working again for peace; that college professors were now urging peace. The Carnegie Endowment, if it is their policy, should give greatest publicity to the fact that they want no international peace until its enemies are [defeated?] or permanently converted. The American Peace Society should make similar declaration. These two institutions would be regarded in Germany as the most important leaders in peace movements. President Eliot should be induced to publish what, in America, we understand as his correct views which seem to be garbled and (widely?) circulated in that garbled form in Germany. Minister Garrett suggests and I fully agree that the censor should pass with care and intelligence letters from German-Americans to their friends in Germany describing the evidences they see of our enthusiasm, determination, and military activity, in so far as, of course, what they write of the latter is innocuous. The writing of such letters might be equally beneficial. The agency for short propaganda in Germany would be as effective as Bradstreet in our country, and will cooperate with me in the matter but must be kept strictly confidential and adhere in every statement to the absolute truth. My conferences with Austrian channels are [being?] delayed. I go to London to-day to return here in about ten days; address there care the Embassy. GARRETT

File No. 763.72/7424

The Chargé in Switzerland (Wilson) to the Secretary of State

No. 1514 BERNE, *September 29, 1917.*
[*Received October 19.*]

SIR: In continuation of my despatch of the 24th of September last, No. 1461,[1] I have the honor to report to the Department herewith a *résumé* of the political movements in the German Empire and Austria-Hungary during the week, September 23–30.

VATERLANDS PARTEI

Knowledge of the activity of the Vaterlands Partei has been gained rather by the opposition which it has aroused and the bitter

[1] Not printed.

attacks which it has brought on itself, than by the propaganda of the party itself. Some two weeks ago Admiral Tirpitz was reported to be active in the organization and development of this new party but it was not until during the past week that the frightened tone of the moderate press throughout Germany showed that the development of the party had reached such an extent as to cause uneasiness to the Majority of the Reichstag.

The Vaterlands Partei has now come out more definitely with a statement of its policies. It endeavors to render itself independent of other political groups in so far as regards internal policies of the Empire, in fact, its manifesto stated that its members may hold any opinion they consider advisable on such matters. It claims for its object the desire to unite the German people against the common foe and implores them "not to wrangle about setting the house in order while it is afire." From the tone of its statements, and the fact that the party is under apparently the direct guidance of Von Tirpitz, it is clear what political character can be attributed to it. In fact, at a mass meeting on the 25th of September, it revealed the cloven hoof of annexionist tendencies in characterizing Belgium as a British bridgehead, and asserted, in the most approved Pan-German fashion, that a peace without indemnities for Germany would be the abdication of Germany as a world power and a victory for Anglo-American venality. The relationship between the Vaterlands Partei and the Pan-Germans can be seen in the fact that the latter used the same argument to obtain annexionist concessions from the Government on the basis that the farmers were slow to take up the new loans fearing that the Reichstag measures on these projects would tend to ruin Germany economically.

The newly organized party has made use of every means of propaganda, employing the means already at the disposal of the Pan-German party and intellectual and religious circles, in an endeavor to weld together the warring factions on the basis of domestic peace.

The Social Democrats have bitterly attacked the Vaterlands Partei in the *Vorwärts*, and throughout the Empire meetings of protest have been held against this new agency of the Right. In spite of this, however, the party seems to be gaining by leaps and bounds.

Other Parliamentary Organizations

The Conservative Party has declared itself opposed to parliamentarization, both in the meeting of its Central Committee and in the Committee for Constitutional Reform in the Reichstag, which meets under the presidency of Scheidemann.

The Central Committee of the National Liberal Party, by a very narrow margin, voted against the "continued accentuation to Ger-

many's will to peace." This vote appears to have split the party although no direct results are as yet observable. Predictions are to the effect that the National Liberal Party is seeking to get into touch with the Right and is slowly drifting away from the Majority side.

An announcement of unusual importance seems to have been made in to-day's press in the report that the Central Committee (the Committee of Fifteen of the Reichstag) has been dissolved. This committee was to have been the starting point for a democratic participation in the Government. No comment in the press has as yet been published, but it is safe to consider this instance as more than a straw which shows the way the wind is blowing, when taken in connection with the Vaterlands Partei and the split in the National Liberal Party. The Committee for Constitutional Reform in the Reichstag has adjourned because of the uncertain position of the Center. It now seems to require the rosiest of spectacles to see any evidence of the progress of parliamentary reform in the Reichstag.

The battle between the Left and Right in the Reichstag and elsewhere is fast coming to a crisis. The Right is emphasizing the capture of Riga and the checks of the Allies on the Italian and Flanders fronts. The Conservative press seems to be bitterly disappointed in the Chancellor and would like to see the dissolution of the Reichstag and a new election. This is perhaps based on the fact that it feels that its existence is at stake, and in the present popularity of the Pan-German ideals it is willing to stake its life on one throw in a new election, hoping to gain entire control of the Reichstag through its domination of the rural sections by the Junker party. Even the growing concern over the economic situation which is everywhere visible in the pleas for subscriptions to the new war loan, was adroitly turned by the Conservative element to its political favor. By means of the Hindenburg telegram announcing the oversufficiency of Germany's economic and military reserves, the Conservatives gained rather than lost by the agitation over economic conditions. In this connection it must be borne in mind that Hindenburg always speaks *ex cathedra* and that his word on any question is sufficient to put the people in a state of contented trust.

The opening day of the Reichstag contained only the speech of President Kämpf, who attacked President Wilson bitterly for the latter's answer to the Pope. It seems to be the general impression that Germany's answer to the papal note, inasmuch as it was written with the cooperation of the Reichstag, was an answer to President Wilson rather than to the Pope, since it is believed in Germany that it shows the democratization of Germany and that it embodies President Wilson's own suggestions in principle.

Answer of Central Powers

I know of no instance in which the press either in Germany or Austria-Hungary attacked the answer of these two countries to the Pope's plea for peace. The alignment has been generally what would be expected. The extreme Left thinks the answers were not explicit enough in their statements regarding Belgium but considers that by the acquiescence to the Pope's ideas the restoration of that state is implied. As intimated in the vote of the National Liberal Party and the split in the ranks of that organization, which I have mentioned above, the Right feels that the notes indicate a too great desire for peace and they would prefer to see more emphasis laid on the compensatory value of the German conquests. Erzberger's organ, *Germania*, is fully satisfied with the note. The press unanimously holds the opinion that the notes with their advocacy of the rights of nations show the pacific nature of the Governments of Germany and Austria-Hungary. It is curious to see, however, that the Cologne *Gazette*, in accordance with the developing tendency of the Conservatives to maintain a strong aggressive policy, considers the note too pacific.

Attacks against Erzberger have been initiated by the *Kreuzzeitung* which accused him of treason for revelations which he is alleged to have made in a speech at Biberach. As none of his speeches, however, have been reported uncensored, it is impossible to know on what it was based.

Austria-Hungary

The Reichsrat was opened by a speech from Von Seidler in which the new Minister President sketched his internal policy for the Empire and hinted at the interstate autonomy for all nationalities in Austria. All parties seem to have approved his "cool optimism and sound economic knowledge," but the radical Left appears doubtful of his ability to carry out the program.

Continued rumors of Czernin's enforced retirement because he is too German in his feelings and of his replacement by a politician of more anti-German complexion, seem to show that the tension between Germany and Austria-Hungary is growing ever more strained.

Poland and Lithuania

The Polish press bureau reports that the projects of the Polish Government meet with the highest approval in Polish public opinion in Austria and Germany. Since, however, the Polish press bureau is entirely under the domination of the Government, no real opinions

from the Polish people as to this farcical liberty which has been offered them, have yet appeared.

The German promises of Lithuanian liberty and autonomy brought about the convocation of the Lithuanian Diet which is dominated by the German landowners and of which the "marshal" is a German landowner. Pan-Germanists, however, always true to type, protest bitterly against such illusory liberties as have been accorded.

Asquith's Speech

Comments of the press on Mr. Asquith's speech seem to bear out what I have maintained above, namely, the growing strength of the Conservative Party. Even the *Vorwärts* reiterates that Germany will give up none of its territory until it is hopelessly beaten. The Centrist *Germania* believes that the speech is a sign of peace but thinks that peace is yet far off. It is generally believed that Mr. Asquith was speaking in an endeavor to bring about a reply from Germany as to the latter's peace conditions. Nowhere does the speech meet with a cordial reception.

I have [etc.] Hugh R. Wilson

File No. 763.72/7335

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

Petrograd, *October 15, 1917, 7 p. m.*
[*Received October 19, 11.35 a. m.*]

1868. Minister of Foreign Affairs recommended Allied conference planned for October 16 be fixed Paris November 15, but date not fixed yet. Russia be represented by Minister of Foreign Affairs; Skobelev, former Minister of Labor; and General Golovin, Chief of Staff of Roumanian front. Following Russians will also attend: Giers, present Ambassador at Rome, slated for London; Maklakov, who [will] be announced Ambassador to Paris, now Vienna; Betskoi, present representative of Foreign Affairs, army headquarters. Italy be represented by Gregoire [*Sonnino?*], Minister for Foreign Affairs. England by Balfour and possibly British Ambassador here who asking leave saying very tired with health impaired.

Please cable our representatives when selected. Respectfully suggest Lansing; if impracticable, then Polk. Minister for Foreign Affairs expressed desire America send strong delegation. Where is House? Understand *en route* Europe.

Francis

File No. 763.72/7490

The Chargé in Switzerland (Wilson) to the Secretary of State

No. 1528 BERNE, *October 4, 1917.*
[*Received October 30.*]

SIR: With reference to my telegram No. 1795 of October 4 [*3*],[1] concerning the report of a conversation with Professor Jaffe, I have the honor to transmit herewith copy in full of the memorandum presented by the informant. While I consider that the memorandum contains information of the greatest value and of the very deepest interest, I do not feel, as I pointed out in the telegram, that absolute confidence can be placed in the sincerity of what Professor Jaffe says. Professor Foerster, with whom the interview took place, has been altogether too eager to report his conversation with Kaiser Karl of Austria-Hungary for one to believe that he has not some ulterior motive in making these facts public. Also Professor Jaffe may have had some intimation or suspicion that the person with whom he was speaking would subsequently report his views in Allied quarters, and to have therefore made his statements in such a way as to throw into a favorable light Germany's striving for a democratization of its institutions.

I was requested not to publish Professor Jaffe's name in this connection.

I have [etc.] HUGH R. WILSON

[Enclosure]

Memorandum of Political Information

BERNE, *September 26, 1917.*

[SECTION I: PARAGRAPH A]

CENTRAL POWERS AT BREAKING STRAIN

On September 17 it was known that Professor Jaffe had arrived in Geneva from Berlin, and our informant was able to meet him by receiving an invitation to dinner at the house of a professor in Geneva, where Jaffe was to meet Professor Foerster, of Munich University. Professor Jaffe is the great German financial authority and political economist, also a collaborator of Helfferich, editor of a German Foreign Office organ, and the *Archiv für Sozialwissenschaft*. Professor Foerster is the adviser of Emperor Charles with whom he has recently had several conversations.

Professor Jaffe, besides being one of Helfferich's right-hand men, is his colleague, and it so happens that Helfferich in former days

[1] Not printed.

was a friend of British bankers in Constantinople, having been in close business relation when Helfferich was director of the Deutsche Bank, and the Anatolian and Baghdad Railways.

It would appear that the views given are reliable and obtained from high Government quarters in Germany, and as conversational questionnaires had been carefully prepared it was often possible to draw the conversation into the channels desired.

This report will deal with the German views, as expressed by Jaffe, and another will follow on the Austrian views, received from Foerster.

1. GERMAN PEACE TERMS: ALSACE-LORRAINE

In two or three weeks a Württemburg Catholic prince will be asked to govern Alsace-Lorraine: This is in face of the efforts of the Junkers to split it up between Prussia and Bavaria.

The peace party in the Reichstag forced Michaelis to create this new *Bundesstaat*, which will have the same privileges as Saxony, Bavaria, etc. Nevertheless, there are fears (well founded!) in high circles that France will not be satisfied, and, unless these provinces are given back to her, a prompt peace is impossible. The Germans admit that there is more sentimentality attached to Alsace-Lorraine in France than there is in Germany, and if those provinces are not returned, the war will be considered by the French as lost. On the other hand, if they are restored, the German people will deem it a complete defeat, despite their victories and their enormous sacrifices.

What weighs more than sentiment on the Prussian mind, however, is that these provinces contain the richest iron deposits in the German Empire; without them German industrial supremacy must wane.

In short, Alsace cannot be given up, but it is highly probable that a bargain might be effected over Metz, and a section of Lorraine bartered against compensation in Central Africa (see par. 4).

2. NEW POLISH STATE AND GERMAN POLISH PROVINCES—LITHUANIA AND COURLAND A REPUBLIC

Since the Russian revolution great changes have taken place in Polish thought: Germany feels nervous. Whereas in the early days of her occupation the Poles were friendly to her, their allegiance has now passed over to democratic free Russia. German domination is no more wanted: Poland will eventually, it is expected, become an independent state, but the German Polish provinces must remain under the rule of Prussia.

Especially would it be impossible to give up Danzig, which town, it is claimed, has only Prussian inhabitants. The provinces themselves are almost entirely populated by Germans; they would not wish to be incorporated in the new Polish state.

(NOTE. Lithuania and Courland could be made into a republic with the port of Riga or Libau to be jointly used by them and Poland, if wanted.)

3. BELGIUM AND NORTH FRANCE: REPARATION AND RESTORATION

Jaffe was in Belgium reorganizing finance for many months. Even two years ago it was quite decided that the occupation was only "on appro" and that complete independence would ultimately be granted.

The north of France will be evacuated.

It is hoped, however, that Belgium will not be allowed to have an army, and that the forts facing Germany will be dismantled.

As regards reparation and restoration, it is considered that Great Britain has done almost as much damage in Flanders as Germany has been accused of in Belgium. The suggestion is therefore put forth that the total cost of restoration (estimated by Jaffe to be 150 millions) should be shared by the two powers equally (!).

4. GERMAN COLONIES AND CENTRAL AFRICA: AN EXCHANGE

Knowing that the Boers will not give up Southwest Africa, it will have to be abandoned against compensation further north.

In the Pacific group a similar position will doubtless arise through the Australians, perhaps also the Japanese, being against Germany's getting back her possessions in those seas. As the Teuton new creed is to centralize colonies rather than own scattered possessions the Pacific islands will also be given up against land in Africa.

There are two schools of thought in German African colonial circles: The one advocates a central block from ocean to ocean, covering German East Africa, the Congo (a portion of it), the Cameroons and possibly Angola.

The second school insists that it will be better to have all possessions bordering on one ocean, such as the Pacific, and abandon the east coast entirely to the British.

These theorists expect to get Nigeria, Togoland, a portion of the Congo (excluding the Katanga basin) and perhaps Angola, from the Portuguese. German East Africa would become British.

The first school admits that Great Britain should be granted (!) a strip of territory from Northern Rhodesia to the Sudan, so as to permit of the Cape-to-Cairo enterprise being accomplished.

5. NEW FEDERAL AUSTRIA: THE SACRIFICE TO ITALY—THE FUTURE OF HUNGARY, BULGARIA, TURKEY, ROUMANIA, SERBIA

Austria and Hungary want peace badly and are prepared to give up the Trentino and Trieste to Italy if the latter is made a free port.

(N. B. The Austrian hopes and fears are dealt with in sec. 2 of this report.)

Bulgaria and Turkey are lightly put aside. The former will get those portions of the Balkans which ethnologically belong to her and which, under normal circumstances, the Entente should have been prepared to give her.

Turkey is to attempt to recapture Mesopotamia. The Central powers have promised her their help.

It is more or less immaterial to Germany whether Mesopotamia remains Turkish or not. If she does not get it back this winter, she will just have to accept its loss (!).

The same applies to the Aegean Islands, possibly to Arabia, but it is hoped that a form of autonomy will be granted to the outlying Turkish provinces.

The Baghdad Railway is no more of so much political interest in Germany (!). In pre-war days, it was looked upon by the Deutsche Bank leaders as having latent commercial potentialities; for that reason Germany backed up the enterprise, but her former ideas have been dispelled, and, as things are to-day, she would prefer to join hands with England and France in developing the country rather than doing it by herself (?).

The Berlin-Persian Gulf dream was really a "war time" propaganda measure to raise the morale of the people in the face of the British blockade (!).

Some arrangement can be come to concerning the internationalisation of the Straits.

As regards Hungary, Austria fears that her hopes of a new federal state will not be accepted by Hungary; thus it is expected when peace negotiations take place, the Entente powers will join Austria in coercing Hungary to accept the new propositions. In order to make it easier for the "federation" in the coming years, it is suggested Croatia and Dalmatia should be handed over to Serbia, together with Montenegro, to form a great Jugoslav state, and that Transylvania should be given to Roumania. Both "New Roumania" and "New Serbia" must necessarily come under the "Great Hapsburg Federation" together with the Bohemian (Czech) state, Hungary and German Austria.

That is the young Emperor's dream.

6. FREEDOM OF GERMAN COMMERCE: RAW MATERIALS—FEARED ENTENTE EMBARGO

Fair play and just economic treatment are expected as one of the terms in the coming peace treaty.

No restrictions in raw material as regards quantity or price. German shipping to receive the same treatment as that of other nations. An embargo on raw stuffs is much feared.

7. THE "FREEDOM OF THE SEAS"

Jaffe is not quite clear as to what this means, but, generally speaking, he understands that the same treatment should apply to all seas, outside territorial waters, as is meted out to a neutral country on land in peace and war. Thus, seas, beyond territorial waters, will be in war time free to the merchant shipping of all nations, including that of belligerents.

He considers that "freedom of the seas" will really be in the interests of Great Britain, for blockades would be done away with. England, says J., runs more risk of being starved by future submarines than Germany does by the most effective of blockades.

8. THE HOHENZOLLERN DYNASTY AND DEMOCRATIC GOVERNMENT

It is to be hoped the Entente will not insist on refusing to treat with the Hohenzollerns, for, in such case Germany would consider it an unwarranted interference with her internal politics. It would certainly cause a considerable portion of the population to remain refractory.

If a settlement with a democratic government is insisted upon, doubtless some change might be effected, through which the Imperial Chancellor, instead of being appointed by the Kaiser, should be nominated by the Reichstag. The Emperor's powers would be thus curtailed. Universal suffrage is coming.

SECTION I: PARAGRAPH B

GERMAN FINANCE AND POST BELLUM FINANCE

1. The position in December, 1917.
2. *Post bellum* taxes.
3. The circulation of silver.
4. *Post bellum* exchange measures; shipping.
[5. British versus German war finance.]

1. THE POSITION IN DECEMBER, 1917

J. has been studying the financial situation at the orders of his Government. He has recently made an exhaustive report based on the war ending in December, 1917.

He estimates that the total annual budget requirements of the German Empire will amount to some 500 or 600 millions in December, 1917.

This sum will be too much for Germany to meet, thus a levy on capital is contemplated.

(N. B. If there are any errors in figures, it is our memory at fault.)

2. POST BELLUM TAXES

The German people prefer a capital levy to a heavy income tax, such as there is in England.

This tax on capital will be imposed on the following lines. Fortunes are to be assessed, a fixed percentage, varying according to capital, but probably up to 20 per cent will be taken as a basis and the owner instructed to purchase war loan (unless he has it) for that amount.

This war loan, when bought, will have to be handed to the Government: it will cancel it.

It is hoped in this way, perhaps, one quarter, or a little over, of the total debt will be redeemed.

To cover the other annual requirements, new taxes will be imposed including rates on coal and other raw materials (largely through the great syndicates). An increase in income tax (which to-day is very low). Formation of monopolies such as of sugar, petroleum, alcohol, electricity, matches, grain, etc.

3. THE CIRCULATION OF SILVER: EXCHANGE—THE COMING LOAN

Since the issue of one-mark notes, the circulation of silver has almost ceased. It is believed the peasants have hoarded it.

To overcome this evil a new law will come into force on 1st January 1918, by which all two-mark pieces will be made illegal tender.

Much silver should come into the market again.

In order to retain the gold in the country, every effort is being made to raise the exchange in neutral countries. In pursuance of this endeavour, the continuance of coal supplies to Switzerland, Holland, Sweden, etc., is to be made subject to increased prices and loans to Germany.

As concerns Switzerland, an arrangement has already been concluded. Against a supply of 200,000 tons of coal monthly at a fixed price, the Swiss have to make a loan of 100 million francs monthly to Germany.

As a result of this, it was expected exchange would rise to almost normal, but it appears now calculations were wrong. Experts seem to believe the rise will only be slight. Whether the same will apply to other neutral countries is not clear.

The coming loan will not yield, it is expected, over 500 million sterling: less than the last.

No compulsory subscription is contemplated. The Government know that private people and industrials are heavily laden with German paper currency, which is not yielding any interest.

The powerful argument that by investing this money in loan they will get 5 per cent should naturally mean that these hoards will be invested in it.

4. POST BELLUM EXCHANGE MEASURES—THE REQUISITIONING OF SHIPPING

This very important question has been studied.

To avoid a rush of small buyers of foreign raw materials immediately after the war, which would tend to inordinately raise the exchange against Germany all over the world, the Government has decided upon the following measures:

(*a*) That no raw materials be bought except by special licenses;
(*b*) These licenses will be only granted to the great syndicates or trusts which are being formed, more or less under Government control, to monopolize many industries;
(*c*) It is hoped that loans will be floated in countries supplying raw materials;
(*d*) Every effort will be made by the Government to manufacture as much raw material at home as possible, such as nitrates, new clothing from old, wood pulp, sacks from the new jute substitute, mats and rugs from pulp, clothing materials from nettles, etc.;
(*e*) Lastly, a complete control over all imports is to be made by the requisitioning of shipping, on the same lines as has been done in Great Britain.

5. BRITISH VERSUS GERMAN WAR FINANCE

The professor had a considerable amount to say in favor of British methods. In his own private opinion, he maintains that the English system of taxing and paying for part of the war out of new taxation is sound, but his colleagues do not see their way to institute this method in Germany. There is a reluctance in high industrial circles to accept heavy income tax and a marked preference to a capital levy after the war. He disagreed with the British system of heavy floating debts but doubtless there are reasons for it, such as to force subscription later (?).

SECTION I: PARAGRAPH C

ECONOMIC POSITION

1. The 1917 crops.
2. Scarcity of raw materials: nitrates, rubber, copper, etc.
3. A *post bellum* rubber substitute.
4. Possible duration of war ([not] governed by scarcity of raw material).

5. Purchase of raw material for *post bellum* purposes; future commercial treaties.
[6. Railways and rolling stock.]

1. THE CROPS IN 1917

Up to April they looked bad, but, thanks to the remarkably favorable weather subsequent to that month, a fair corn crop resulted, and the potato has been up to average; in both cases much better than in 1916. The potato crop is especially satisfactory. At one moment last season the position was critical; this year the potato yield is 45, as against 23 in 1916.

The failure has been fodder.

Generally speaking, the country people have sufficient food. The townspeople at times, largely owing to transport difficulties, have suffered and will doubtless continue to do so. The abuses of 1916 will not be repeated.

Owing to increased stocks the ration of bread has been raised from 170 to 250 grammes daily. A somewhat extraordinary miscalculation as regards the consumption of corn in Germany was made early in the war, due to the fact that 6 million (?) tons of human foodstuffs, it seems, were, before the war, being utilized for the feeding of cattle.

It is expected that the crops together with what will be imported from Roumania, etc., will be sufficient for the people this next year.

2. THE SCARCITY OF RAW MATERIALS, ETC.

Owing to substitutes and great economies the apparent shortage will not affect the duration of the war, although there have been moments when the position has been exceedingly critical.

(*a*) *Nitrates*

In the early stages, nitrates almost entirely ran out; had it not been for the hurried "colossal" effort to increase extraction of nitrogen from the air, the war would have come to a sudden end.

New factories were run up; to-day Germany is producing sufficient for her special requirements, although at a cost exceeding that which she was paying for it in pre-war days.

(*b*) *Cotton*

At another moment the want of cotton was serious, but thanks to great stocks found in Antwerp and elsewhere as also wood pulp being used as a substitute in many industries, the situation was again saved.

The forests in Russian territory are now supplying the urgent needs of the nation in pulp. Recently a boom has taken place in

the shares of pulp mills, largely because of the new discoveries which are being made and the use of them in industry.

(*c*) *Jute*

Jute, especially for sacks, was badly wanted for a while, but a remarkable substitute was discovered in pulp. Strong sacks, even rugs, are now being made from it.

Thus pulp has been a godsend to Germany but, in certain industries, the fibre lacks, it cannot be used. In the case of underclothing it is unsuitable. Here nettles have been found to supply the required fibre; gentlemen's and ladies' underlinen is now being made from it.

Unfortunately for Germany, this plant is not sufficiently abundant.

(*d*) *Wool*

The want of wool has been seriously felt. By means of a campaign of economy and the utilization of all old clothes (which are rewoven) the scarcity has been to a certain extent overcome.

(*e*) *Copper*

In the case of copper, the lack of quantity has been made up by economy in its use. It is said that to-day only one-tenth of what was being used early in the war is required.

To meet demand there are some stocks still in Germany. The melting of church bells and statues, etc., is one of the supplies to-day. (Inferences can be made.)

(*f*) *Leather*

The want of leather has been badly felt; great economies had to be observed; many have to go barefooted who formerly wore shoes.

(*g*) *Fat*

The want of fat has also been, and is still, very serious, largely due to the requirements of nitro-glycerine manufacture, etc.

Considerable supplies of the natural fats have had to be utilized for explosives, and no substitute has been found for this.

Oil is coming from Turkey to help the situation.

3. A POST BELLUM RUBBER SUBSTITUTE

A wonderful discovery has been made in the artificial manufacture of rubber. It is prepared from a foodstuff. This invention is of no use in war times, but afterwards it may be a surprise to the world.

4. POSSIBLE DURATION OF WAR NOT GOVERNED BY SHORTAGES OF RAW MATERIALS

It must be assumed that Germany can carry on, if necessary, for a further period despite shortages, if the above statements are cor-

rect; thus the scarcity of raw material will have no decisive effect on the duration of the war, for, with economies on the one side and inventions on the other, the difficulties that were in the way have been largely overcome, but Jaffe was not altogether convincing.

5. PURCHASES OF RAW MATERIAL FOR POST BELLUM PURPOSES—FUTURE COMMERCIAL TREATIES

Early in the war, large purchases, especially of cotton, were made in America and stocked by German agents, with a view to preparing for *post bellum* requirements.

Later on, however, partly owing to the enormous rise in prices, the goods were sold, and to-day, mainly due to difficulties in transmitting orders and the exchange question, she has taken few, if any, measures to supply herself with raw materials for after the war. She depends on the good will of the Entente in the peace negotiations (!).

Future commercial treaties will be very different from the old. There will be binding clauses specifying amounts to be imported and exported from and to the parties interested.

6. RAILWAYS AND ROLLING STOCK

Until January of this year there was not much visible defect in railways and rolling stocks in Germany, but at that period suddenly, possibly partly due to the freezing of the canals, a remarkable change took place. Expresses were cut down, old stock was put on the lines, a general deterioration was evident.

Since the winter, however, some improvement has taken place, but the railways and rolling stock are a shadow of what they were before the war. This question has caused a considerable amount of investigation and anxiety in Germany and it is still an urgent matter.

[SECTION I:] PARAGRAPH D

1. THE POLITICAL SITUATION: ERZBERGER'S SPEECH—THE FALL OF BETHMANN HOLLWEG

Bethmann Hollweg fell because he hedged.

On the one hand the Junkers feared that he was yielding too much to the Social Democrat movement; on the other hand, when Erzberger sprung a surprise on the Reichstag dealing with submarine statistics, etc., three-fourths of the assembly (including the Centre Party) rose against him and against the Junkers, the Pan-Germans and their creed.

Jaffe relates that on that day he went round to several Government departments in Berlin. Consternation and chaos reigned. It was fully expected that bureaucracy had seen its last day. Democracy was about to come into its own.

Erzberger's speech came at a peculiarly psychological moment. The Reichstag knew that, behind him, was the public and the whole Centre Party in agreement with the Social Democrats and Radicals.

When he hurled at the Government and Bethmann Hollweg the errors of their statistics as regards British tonnage and proved that the available ships at Great Britain's disposal were near double the figures that the submarine policy had been based on, panic ensued and the fate of the German Empire was looked upon at that moment as almost sealed.

Had a German Kerensky arisen, the Reichstag and the whole nation would have been behind him for good, and perhaps for all time.

2. THE APPOINTMENT OF MICHAELIS—THE LUDENDORFF-HINDENBURG ULTIMATUM TO THE KAISER—THE RÔLE OF THE CROWN PRINCE

When the above crisis occurred Ludendorff and Hindenburg hurried to Berlin, followed by their ally, the Crown Prince. They immediately proceeded to make an effort to rectify matters.

The Junkers and Pan-Germans, followed by a portion of the Centre Party, threw their lot in with the Military. Thus within a few days Erzberger and his peace motion were somewhat discredited. Erzberger's star temporarily set, but it still has to reach its zenith.

The panic subdued. Members calmed down.

Ludendorff, Hindenburg and Co., backed up by the Crown Prince, went to the Kaiser, presented him with a list of candidates for the chancellorship, threatening resignation if one of their nominees was not selected.

Besides that of Michaelis, it is said that the names of Von Bülow and Tirpitz appeared. (J. was a little doubtful, especially of the former.)

The Kaiser objected to Tirpitz on the grounds that, early in the war, he endeavored to force himself into the chancellorship.

Von Bülow he refused to appoint, being the best-hated man in Germany. It was a certainty that the people would object to him strongly.

Consequently, Michaelis was chosen; as a "dark horse" and having been a success in the food control department, neither the Reichstag nor the people would object to him. Thus did the nominee of the military party, the Junkers and Pan-Germans, meet with the approval of the Centre and Socialists!

3. THE INFLUENCE OF LUDENDORFF (AND HINDENBURG), THE JUNKERS AND CROWN PRINCE OVER THE KAISER AND REICHSTAG—THE POWER OF THE PEOPLE

The Kaiser is influenced, but not necessarily under the influence of Ludendorff, Hindenburg & Co.

Through the Junker party, a considerable amount of pressure can be brought on him. Recently, a section of the industrials, the "heavy" division, manufacturers of goods from "home" raw material, iron and coal, etc., has been brought round to the Pan-German idea. It too can bring pressure to bear on the Emperor.

The Junker class formerly consisted of officers in the army, judges, other civilian leaders, agrarians, etc., but owing to the war, the ranks, especially the officers, have been depleted. Regulars have been killed off; the substitutes belong largely to the people or progressives who have little in common with this war and thus with those who commenced it.

However, it is this Junker class and, with it, the Military, that certainly has, if not a direct, an indirect, influence on the Kaiser, hence on the Chancellor and the Reichstag.

The Crown Prince is an appendage to the Military leaders.

From this, it might be assumed the people are somewhat powerless; that Ludendorff and Hindenburg can rule the roost, but Professor Jaffe affirms that, since the Erzberger incident, he believes with many of the most prominent men in Berlin "anything might happen in Germany now."

Up to that moment, he was an entire sceptic, but, after the crisis, he has become absolutely convinced the people have the power in their hands and intend to utilize it slowly but surely for the formation of a democratic government in Germany.

Scheidemann, Egbert, with other democratic leaders, have recently warned Michaelis and the Kaiser of coming events, exhorting them before it is too late to make peace by every means possible.

The Alsace-Lorraine *Bundesstaat* is instanced as an example of bureaucratic defeat.

These men aver that, before very long, another crisis similar to the Erzberger one will arise, perhaps followed by another and still another. Finally, through their trade-unions the workmen will insist on having their way, if necessary, utilizing strikes to have it—a revolution is in the wind.

Fearing a revolt might take place peace negotiations will then be commenced in earnest.

4. POPULARITY OF THE KAISER AND CROWN PRINCE—THE FUTURE OF THE HOHENZOLLERN DYNASTY

Although Professor Jaffe's wife is a Richthofen (?), thus related to the Hohenzollerns, his reply to this question was, "If the Kaiser, the Crown Prince and whole Hohenzollern dynasty were put up to auction to-day, they would go cheap, if there was a bidder."

The Crown Prince is heartily disliked by almost everybody except perhaps a few of the military party. It is sincerely trusted he will never ascend the throne.

His private life has given rise to much talk and scandal.

Nevertheless, the pious hope is expressed by many that the Kaiser will have to accept the rôle of a limited monarch; then perhaps the Entente and America will consent to treat peace with him, and allow him to remain as a figurehead.

[SECTION I:] PARAGRAPH E

THE SUBMARINE POLICY—AMERICAN INTERVENTION

When war commenced, Tirpitz did not believe that the submarine would be anything like as powerful a weapon as it has been.

Later on, when it was found that voyages could be effected into the Atlantic, his views changed. He then exhorted the Government to accept unrestricted warfare.

Helfferich (who seems to have an influence over the Kaiser) disagreed with Tirpitz chiefly on the plea that it would bring America, and may be other neutrals, into the war.

However, in January of this year, the latter changed his opinion, probably through pressure brought to bear on the situation by the military party.

In a discussion he (Helfferich) had with Professor Jaffe the former maintained Great Britain would be starved or brought to terms by June, that ammunition supplies would be so hampered that the British Army would suffer in France and be unable to keep up a powerful offensive.

Even if America came in, he argued, it would be too late for them to take any action as before they were ready Germany would secure peace. In any case, the troops they might be able to send would be torpedoed *en route*.

Jaffe replied that, according to his views, he did not believe it possible England could be brought to bay before January or February, 1918.

Reluctantly the latter admitted to us that even his pessimistic expectations were wrong, although the military party still base practically all their hopes on the submarine.

They all know now the end is not yet.

The German Government hypnotized itself into believing unrestricted warfare would bring about peace before American intervention could have any effect. It further argued that Americans were very much divided. If England gave way, they concluded America would climb down and accept the inevitable. America they believe now is more determined than all the rest. *Hinc illæ lacrimæ.*

[SECTION I:] PARAGRAPH F

SOME MISTAKES OF THE ENTENTE IN DEALING WITH GERMANY—HOW TO BRING GERMANY TO TERMS

1. LLOYD GEORGE—BALFOUR: A COMPARISON

The German people fear the speeches of Lloyd George. Every word is published, every phrase pondered over deeply. His last few orations have been looked upon as meaning "War to the end." Thus, the people are discouraged, and adds Jaffe, "In consequence their backs are stiffened."

Comparing Lloyd George's hard-hitting methods with the softer ways and manners of the author of the *Foundations of Belief* he affirms, from the German point of view, Balfour's methods are the best.

(N. B. We rather gathered from him that the Germans are afraid of being hard hit.)

2. GERMANY MUST BE LED, NOT COERCED

The professor maintains that, if British politicians in their speeches were to "suggest" rather than to "threaten," the humble (!) German people would be led into the right path quickly. By "threatening" the desired goal will not be attained.

He draws attention to the fact that the British press is not taken so seriously by his people, neither so much dwelt upon or quoted, as do the words which fall from the lips of great men like Lloyd George. The latter are read, reread, digested and finally assimilated into the public brain. The reply of Wilson to the Pope has had a remarkable effect for good.

This seems in contradistinction with other portions [*sic*] since President Wilson took up the line that it was impossible to treat with the Hohenzollern.

He suggests to British politicians that certain phases of current events should be dealt with in speeches of prominent men: that the submarine atrocities, the Belgium deportations and cruelties, the Armenian and other massacres, should be referred to and anathematized as the acts of a barbarian Government. Thus alone will the German people be educated up to believe in the errors of and the horrors committed by their irresponsible rulers.

Slowly the truth will filter through the thick skull of the Teuton and make him realize that the world has good cause to rise up in arms against him.

He will then insist on a democratic movement to replace the rotten rulers of Germany.

3. A SUGGESTED POLICY TO BRING GERMANY TO TERMS

If, very cautiously, it is allowed to penetrate into Germany (not in the form of a threat) that, for example, a ten-year embargo on German shipping and ports might be decided upon by the Allies (if the Allied peace terms are rejected) it is possible that the people would, after a short while, realize the dangers of such a situation. It would spell ruin and the end of Germany.

Because of the fear of it, the war might be shortened considerably.

4. THE FUTURE POLICY OF GERMANY NOT PETROGRAD, NOT ODESSA, BUT PEACE

[SECTION I:] PARAGRAPH G

SUNDRY NOTES OF INTEREST GATHERED DURING THE CONVERSATIONS

1. RUSSIAN REVOLUTION AND PEACE WITH THE CZAR

It is known in Germany that, had the Russian revolution not taken place, the Czar would have agreed to a separate peace.

2. BRITISH AIRCRAFT MEN COMPARED TO THE FRENCH

Mrs. Jaffe was told by her relative Richtonhofen [*Richthofen?*], the German airman, that the British airmen are altogether superior to the French. Whereas the former always attack, whatever the odds, the latter very often run away.

3. BATTLE OF THE SOMME AND GERMAN AIRCRAFT ACTIVITY

It came as a shock to the Germans. The British air activity then gave the Germans the cue that they must increase their aeroplane squadrons on a very large scale. This is being done.

4. THE VIMY RIDGE BATTLE AND THE ATTACK ON THE MESSINES RIDGE

These were great surprises to Hindenburg, even to-day officers mention the former capture as something which cannot be understood, it happened so quickly. The Messines [omission] was a case of *force majeure.*

5. THE FIRST BRITISH ARMY

It is spoken of very highly throughout Germany. The quality of the new army has been an eye opener to the Military.

6. GERMAN BIRTH RATE—MORTALITY—ILLEGITIMATE CHILDREN

The birth rate in Germany has gone down on an enormous scale. For the first time deaths are in excess of births.

Child mortality has not increased but the birth of illegitimate children has. In Munich one in every three children is illegitimate. The Government is, if anything, encouraging this, by paying the woman a fixed sum to support the child. It is no more any stigma on the woman.

Married soldiers are given preference as regards furlough over the unmarried.

7. GERMANY AND MESOPOTAMIA

As stated above, Germany has lost her interest in Mesopotamia. It is believed now that the Baghdad project will not prove for some decades a commercial success. It is hoped, however, that after the war, England and France will join hands with her to further the scheme.

Turkey insisted on an attempt being made to recapture Mesopotamia. The Centrals had to consent. Thus, the effort will be made. If it is successful, well; if it does not, Turkey will have to accept the probable amputation of that province. Germany had to save Turkey from Russia. She succeeded, and Turkey should be grateful.

8. ERZBERGER (VON BÜLOW) PEACE INTRIGUES IN SWITZERLAND

Doubtless Erzberger, in conjunction with the Catholics, with Archbishop Hartmann of Cologne, and the Bishop of Coire, have been endeavouring to foment a peace movement in Europe through Switzerland. They succeeded in getting the Pope to send in his famous note (with the help of Austria).

As regards the part that Von Bülow is playing, whatever it may be, it probably will prove to be something " dirty," says J.

9. VERDUN

Falkenhayn insisted on the Verdun attack and persisted in the endeavour to conquer it. It was fully expected the fortress would fall and through it Paris, and the end of the war is reached.

The fault for the defeat of the Marne is put on Moltke's shoulders He lost all connection with his armies.

The Crown Prince is looked upon as too much of a fool—is not considered really responsible for the Verdun fiasco.

10. THE "BERLINER TAGEBLATT" AND PRINCE LICHNOWSKY'S LETTERS

In the words of Jaffe, " Prince Lichnowsky is known to be throughout Germany too complete a dullard for anyone to take any notice of what he says or writes."

11. THE POLICY IN KÜHLMANN

Zimmermann having made a fool of himself, it was desirable to put a man of experience and brains in charge of that office. The choice fell upon Kühlmann who "knows his England."

12. PRISONERS IN MUNITION FACTORIES

The professor denies that any are in factories. They are mostly working on the land.

13. THE LUXBURG TELEGRAMS[1]

This exposure caused a huge sensation in Germany. A few more such actions on the part of German Government officials will effectually seal the fate of the present method of government. It is to be hoped "that America will publish some more similar records," says J.

14. DEMOBILIZATION OF THE ARMY

This will be gradual. First the elderly men, married men, and those belonging to certain trades, will be discharged; slowly, the rest will follow.

15. WOMEN WORKERS

In many industries they have given much more satisfaction than the men, consequently, after the war, it is intended, especially in machine shops, to retain their services. This movement will not be interfered with by the trade-unions, which have not got the power that they have in England.

16. THE PRODUCTION OF RAW MATERIALS AFTER THE WAR AND THE NEWLY ERECTED FACTORIES

For the purpose of keeping money within the Empire and to avoid exchange troubles, every possible effort is to be made to manufacture as much raw material in the country as possible. The many discoveries that have been made during the war, especially in the field of wood pulp, will be financially encouraged by the Government. Thus, it is hoped, the newly erected war factories will be continued to be used for *post bellum* peace activities.

17. THE MAN POWER OF GERMANY

The professor hesitatingly replied that, thanks to the more economic methods for saving lives now in vogue in the German Army, the man power of the country is sufficient to meet the requirements, even should the war last out longer than is anticipated to-day. The quality has necessarily depreciated.

[1] Printed in Supplement 1, pp. 322–323.

18. FUTURE POLICY OF GERMANY

We endeavoured to draw J. on as to the future intentions of the Military. He seemed to be very confident that Germany, unless absolutely forced to, will not endeavour to secure many more brilliant victories in the field at a cost of valuable lives. Her aims are no more towards Petrograd, nor towards Odessa; peace is her goal to-day. If the Turks take Mesopotamia and Roumania capitulates, all is well. Italy and France might collapse, like Russia, before America comes in and before the western offensive forces them back to the Rhine, if it ever can.

[Section I:] Paragraph F [*H*]

CONCLUSION

The above lines, we hope, clearly, briefly, and as correctly as memorizing a long conversation admits, give Professor Jaffe's statements to us.

He appeared to be sincere in most if not all he said, but, behind his words, stood out a taint of pessimism which he vainly struggled to suppress.

Certain impressions forced themselves upon us during our interviews, and we left him with the feeling: "Something has gone wrong in Germany."

When speaking of "raw materials," he hesitated at times. On the subject of man power, quantity and quality, he appeared reticent, if not nervous. When dealing with the submarine, he openly admitted the "hope deferred" if not the "melancholy truth."

But the greatest, the haunting fear of bureaucracy is the people. In Jaffe's own words (he has a perfect command of English): "What only three months past seemed impossible, has taken place. The elements of revolution have appeared; anything might happen. The power is with the people."

Some more Luxburg revelations; another half year of rationing; a little further disappointment in the submarine; a few extra trials; more heavy casualty lists; and then breaking strain will be reached.

This time the Central Empires are cracking. Jaffe breathes that; Foerster says it; both have come from the *entourage* of Kaisers.

The Governments are discredited, the Emperors pitied, the German Crown Prince ridiculed and detested. Indeed the Hohenzollern dynasty "is going cheap without a bidder." The Kaiser, we are told, spends much of his time at prayer meetings, rather than at "mailed-fist" gatherings, although, outwardly, bombastic still.

"The melting down of bronze statues, effigies of former Emperors, is, it may be, a shadow cast before," our informant remarked with a smile.

Germany, it is evident has "got into a scrape and wants to get out of it." That fact cloys on the "organized" palates of Professors Foerster and Jaffe, learned men of power and note in the enemy camp.

File No. 763.72/7347

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *October 19, 1917.*
[*Received October 20, 11 a. m.*]

1517. German press summary:

Berlin *Lokal-Anzeiger* reports that delegation of Reichstag members, Stresemann, Trimborn, Von Payer and Ebert was sent to Chancellor end of last week to express lack of confidence in him on part of Majority parties, but only Von Payer succeeded in reaching Chancellor before his departure. Chancellor said he would insist on Helfferich's retention at all costs.

Berliner Börsen-Zeitung comments that [*upon?*] this report with its information, namely, that Von Payer was only member of delegation to advise Chancellor to resign and that Chancellor offered to throw Helfferich overboard if necessary. Paper states that Stresemann's presence in delegation to Chancellor is symbol of adhesion of National Liberal Party to Reichstag Majority which that party deems advisable at this time for urgent reasons. Expected that Emperor will personally confer with party leaders who will take occasion to explain to the Monarch directly the position of their respective parties toward Michaelis.

Vorwärts reports motion introduced by Socialist Hoch at Würzburg convention for Reichstag Socialist Party to refuse to vote war credits for present Government or any other government not expressly and equivocally accepting Socialist peace demands, etc., was defeated by vote 258 to 26. In supporting speech Hoch said he couldn't conceive that peoples would endure another war year as patience and strength of the people were everywhere exhausted and if peace didn't come in few weeks from above it would come from below. Signs of revolution were evident in all countries and Governments were prepared for violent defense. The scene in Reichstag when Chancellor cast out the Independent Socialist was nothing but a prelude. Worse things would happen if the revolutionary situation were accentuated and the Socialists desired to spare the German people this misfortune. The convention passed by vote of 262 to 14 resolution acknowledging principle of defense of the land, strongly

advocating restoration Belgium as independent state and autonomy for Alsace-Lorraine, and stating that convention declines responsibility for all consequences which might result from deferment of democratic reform. *Vorwärts* comments that convention acknowledged in principle only the obligation to vote war credits and that if Michaelis remains in office or isn't succeeded by more suitable man the Socialists will have full freedom of action.

Berliner Tageblatt prints article by Professor Fellbogen of Zürich suggesting that German Government immediately invite Allies and neutrals to organize tribunal for obligatory peaceable settlement of all national disputes and declare its readiness to abide by decisions of such tribunal, even during the war. Also that Germany propose that the draft of world treaty prepared by London Fabians be taken as basis for peace negotiations.

Vossische Zeitung writes on German-Dutch economic agreement that Austria is about to conclude similar agreement but will not receive half as large credits in Holland as Germany since she merely supplies Holland with lumber and some finished manufactured articles. The quantities of cattle on the hoof, especially horses and foals, and food supplies which Holland engages to supply the Central powers are very considerable. Germany and Austria are now negotiating relative to their respective shares under the new arrangements.

GARRETT

File No. 763.72119/906

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *October 22, 1917, 10 p. m.*
[*Received October 23, 9.30 a. m.*]

1461. Crisis in Germany acute. If our Government would make it clear that it will treat for peace if the Reichstag is a power, the effect in Germany would be good. It would accentuate the President's distinction between the people and the autocrats. If negotiations can be arranged, the Emperor of Austria is inclined to treat for a separate peace. Spain would be willing to mediate. The German Minister here, Count Rantzau, Progressive Liberal, is playing for German Secretary of State when Socialist Liberals grow stronger. He recently received a deputation of Danish Socialists and is becoming very popular because of his arrangements with trade-unions here about coal. Germany is suddenly posing as the only real friend of the common people in Denmark.

AMERICAN LEGATION

File No. 763.72119/905

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *October 22, 1917, 5 p. m.*
[Received October 23, 11.25 a. m.]

1453. A prominent Danish publicist and politician returned some ten days ago from Berlin where he went at the invitation of German editors and Socialist leaders. He was present at the recent stormy meeting of the Reichstag.

No true description of this was ever permitted outside of Germany nor appeared in the German or foreign press. He said that it might be likened to the ocean during a hurricane. The Socialist Party leaders stated that Germany had long been promised victories; they had been given, but it was not victories Germany wanted, it was bread. The people neither could nor would stand the conditions of starvation which they were facing. Hope of something better had been too long deferred. If the Princes wished to prolong the fight let them go out in the vanguard of the armies; the people were heartily sick of it. My informant, who knew the Reichstag of old, was aghast at the invectives and threats which were hurled at the immovable ministers. Alone the persistent ringing of the president's bell brought order and finally the closing of the sitting.

The greatest phenomenon the war has produced is an empire with strong unbroken armies at her frontiers, unweakened and victorious, and within a people broken and entirely dejected. It cannot last, the most sanguine members of the German Socialists said, "possibly six months"—without the Scandinavian supplies less.

He met in Berlin his friend Mr. Andersen of Denmark who had been sent there as well as to England in order to straighten out Danish import and export troubles. At the meeting Mr. Andersen attended,[1] which had been called by the Emperor, Ludendorff, Hindenburg, and Ballin were also present, as well as Andersen. Ballin stated that every month that the war now continues meant adding a year to the post-war period when the markets of the world would be closed to Germany. He finished his speech stating that German merchants would no longer tolerate the continuance of the war. The Emperor on Ballin's seventieth birthday not long ago omitted for the first time for many years to send his good wishes.

Michaelis is not the militarist the foreign press paints him. He would like to lend an ear to the voices of the lower classes but has

[1] According to the Legation's telegram No. 1466, Oct. 23, this conference "happened in June last at which time our informant was also in Berlin." (File No. 763.72119/8264.)

not the courage. As a result he will shortly have to go as also all the conservative political men now in power. Next spring will see them all substituted by new men.

The foregoing strengthens the belief that the ferment of democracy is working with increasing force within the German Empire. The protests against outside interference which greeted the President's reply to the Pope were but the natural cry of a threatened bureaucracy rallying around its chief.

AMERICAN LEGATION

File No. 763.72119/8446

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *October 20, 1917, 9 p. m.*
[*Received October 23, 8 p. m.*]

1892. Think on good authority that Italy, France, and possibly England made demand that representation included in Allied conference be confined to one civilian from each Government, thus excluding Skobelev named by the Council of Workmen and Soldiers to accompany Minister of Foreign Affairs. Latter stated to the Council of Ministers would decline attending unless Russia could have undivided representation thereat. November 15 is the date fixed therefor but Minister of Foreign Affairs very secretly endeavoring to postpone to the 22d to enable him to confer with the English and the French Ministers Foreign Affairs previously, and perhaps with our representative whom he hopes will be Secretary of State.

The Executive Committee of Workmen, Soldiers have given detailed instructions to Skobelev embracing territorial questions, providing referendum for Alsace-Lorraine, Belgium restoration with losses compensated by an international fund; restoration of German colonies etc.; freedom of the seas which neutralizes Suez and Panama Canals and also all straits leading to interior seas; contributions which prohibit belligerents demanding compensation for losses directly or indirectly; economic conditions which prohibit economic blockade after war and accord rights of most-favored nation to all states without distinction; guarantees of peace which abolish secret diplomacy and secret treaties; disarmament on land and sea; the way of peace, which requires that Allies enter upon peace negotiations soon as adversary expresses willingness to begin under condition of renunciation by all parties of all violent conquests, and prohibit Allies undertaking secret peace negotiations except in congress where all neutral countries participate.

Delegate also instructed to require all obstacles to Stockholm socialistic conference be removed and passports issued to all delegates desiring to participate therein.

FRANCIS

File No. 763.72119/907

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *October 23, 1917, 3 p. m.*
[*Received October 24, 12.10 a. m.*]

7502. For Harrison from Bell[1]:

Anderson returned from Holland last night and sends you the following:

4. On October 15 I met a member of the Austrian Legation at The Hague. He refused to talk with me until assured that I was not connected with our Legation or in diplomatic service. He made me promise not to mention to anyone in our Legation what he said. I wanted you to know my authority for what follows so came to England to cable. He said Emperor Charles supports movement in Germany for new people's party to elect by majority vote representatives and executive who will govern but the present dynasty must remain on the throne. He said supports but I think he meant approves. He said for himself that new party will have most of the people of the Central powers behind them but while desiring peace with disarmament and arbitration they would unite with the war party instead of opposing them and fight to the end if the Entente adhere to determination crush Germany and enforce economic retaliation after the war. He believes that peace with the victory President Wilson wants is possible but with the demands of England and France never. He regrets it is impossible for his country to have any direct intercourse with the United States Government since there is so much that is false that is believed to be true on both sides. My meeting with Count Apponyi is delayed by Cabinet crisis but may be arranged within ten days. I return to Holland by next convoy.

PAGE

File No. 763.72/13319

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *October 23, 1917, 1 p. m.*
[*Received October 24, 3 a. m.*]

1464. During a conversation with an official Austrian temporarily in Copenhagen, I asked: "Why do you not surrender, then also food troubles would come to an end?" Instead of receiving the suggestion with disdain he replied simply: "We cannot surrender. The

[1] Edward Bell, Secretary of the Embassy.

Italians want Trieste and Fiume and the entire littoral to cut us off from the sea, to which we could never consent."

AMERICAN LEGATION

File No. 763.72/7442

The Special Agent in Corfu (Dodge) to the Secretary of State

[Telegram]

CORFU, *October 25, 1917, 2 p. m.*
[*Received October 26, 5.05 a. m.*]

Your September 28, 6 p. m.[1] Departure Serbian mission delayed and now tentatively fixed for about November 15. Composition will be somewhat changed. Premier assures me that no representatives of the Yugoslav Committee of London will visit the United States.

DODGE

Agreement of the United States to Participate in the Inter-Allied Conference at Paris—Dispatch of the American Mission under Colonel House, October 28—The Military Situation in Italy—The Ministerial Crisis in Germany

File No. 763.72/13431c

The Secretary of State to the Ambassador in Great Britain (Page)[2]

[Telegram]

WASHINGTON, *October 26, 1917.*

5670. In response to invitation from Allied powers the President has decided to be represented at Inter-Allied War Conference and has designated Mr. Edward M. House as representative of this Government. Mr. House, accompanied by experts in various activities, leaves shortly. For obvious reasons no details as to sailing can be given at this time.

House is anxious that his mission should be considered solely as a working mission and therefore is most anxious that all receptions or entertainments official or private should be absolutely avoided. He hopes you will tactfully make this clear as his health would not permit this unnecessary strain.

The French and British Governments have been told in strictest confidence and you are requested not to discuss this matter with anyone for the present.

An official statement will be given out here after his arrival and you will be notified. In the meantime it must be kept secret.

List of personnel will be sent later. LANSING

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[1] *Ante*, p. 214.
[2] The same, on the same date, to the Ambassador in France (No. 2743).

File No. 861.00/610

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram—Extract[1]]

PETROGRAD, *October 24, 1917, 8 p. m.*
[*Received October 26, 6.25 p. m.*]

1905.

. . . . . .

Minister for Foreign Affairs says council address on foreign relations postponed until Saturday. Skobelev named also by committee of All-Russian Council of Peasants as the only peasant delegate to Allied conference at Paris. He stated in speech to the committee that "fundamental task of representatives of democracy at the conference is to advance at all costs the cause of peace. The Allies must honorably and openly set forth the conditions upon which they are ready to make peace." Stated furthermore conference should receive definite expressions from the Allies concerning annexations and contributions and the right of peoples to [determine] themselves. After affirming that the question of peace is seriously confronting all belligerents admitted "unfortunately our internal weakness renders our position at the conference held a difficult one." Said shame of unacceptable peace would throw Russia back many years and such should be avoided by revolutionary departments who should state why Russia fights and for what she is ready to stop the war.

FRANCIS

File No. 763.72/7452

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *October 22, 1917, 8 p. m.*
[*Received October 27, 8.45 a. m.*]

1897. Minister for Foreign Affairs says Paris conference postponed until November 20, because American representatives cannot arrive sooner and is so informed through London. Minister for Foreign Affairs postponed statement to Council of the Republic until Thursday 25th. Skobelev, selected to represent Workmen, Soldiers at Paris, had spirited discussion with Minister of Foreign Affairs 20th. Russian position at Paris conference being formulated by Minister for Foreign Affairs for submission to Council of

[1] The entire telegram is printed in *Foreign Relations*, 1918, Russia, Vol. I, p. 211.

Ministers, then to Council of Republic, and then, according to press reports, be submitted to Allied Ambassadors here but am not officially informed thereof.

Do you think Allied conference now advisable and opportune? I am inclined to doubt. Minister for Foreign Affairs admitted to-day that peace sentiment rapidly growing here but expects reaction therefrom citing Roumanian experience where such sentiment strong heretofore but vanished with improved army morale. Also admitted delegation from Roumanian front visited Government recently and threatened disbanding unless better provisions made for its subsistence.

Major Kerth returned from Dvinsk front reports adequate supply of food but scarcity of shoes and clothing; says army spirit decidedly mixed as several battalions of death determined to fight but entire regiments threatening to return home. Says no sentiment for separate peace but manifest desire for general peace and expectation thereof; such is present general Russian sentiment.

Please tell Secretary of the Treasury that in view of the foregoing statements I advise deferring reply to request for 235,000,000 increase if can without offense but would not refuse completing special Finnish loan when requested which his cable gives as sixty-five instead of seventy-five millions. Do not understand me as advising that Russian advances cease but that reply thereto be diplomatically postponed. Conditions here change rapidly. Bolshevik organ quotes Lenin is demanding demonstrations because neither Government nor Council of the Republic inspired by revolutionary democratic spirit. If Bolshevik outbreak occurs and is suppressed, as I think probable, Provisional Government and Council of the Republic be greatly strengthened thereby. Meanwhile interior elections show Bolshevik sentiment growing throughout country and if it should dominate peace will be its slogan.

FRANCIS

File No. 763.72/7605

The Serbian Minister (Michailovitch) to the Secretary of State

WASHINGTON, *October 26, 1917.*
[*Received October 27.*]

MR. SECRETARY: The Serbian Government has been informed that there will be held in Paris a conference of the Allies of a political character, at which former arrangements will be revised and probably new ones made. Serbia has not been invited to attend this conference, although her political fate will be discussed at it. You

can imagine how such a treatment is painfully affecting a small people, which had sacrificed everything it had in the common struggle. In that struggle, the Serbians have been comrades in arms, but they will not even be allowed to be present at the political exchange of views. In the public statements, all peoples—great or small—are declared to be equal, but when the principle is to be applied, this equality no longer exists. Moreover, it is possible that the fate of a small people will be discussed at it, without even consulting about its wishes.

Ordered by my Government, I take the liberty to address the United States Government, with the view to requesting it to defend the principles proclaimed by President Wilson, which we consider will be the base of all negotiations and conferences, as well as the main foundation of future peace.

Considering on the one hand that I am, as a representative of a small people, enjoying in your great Republic the same treatment as all other representatives of great or small states, and, on the other hand, that the United States will have its representative at the conference in Paris, we beg to request you to ask that a similar treatment be extended us at this conference, according to the principles proclaimed by the President Wilson.

We hope and trust that these principles will prevail, because their champion is a great country, free of all ancient prejudices, and therefore we are addressing this request to you.

I beg to present [etc.] L. MICHAILOVITCH

File No. 763.72/7457

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *October 28, 1917, 12 noon.*

[*Received 5 p. m.*]

2656. While the press this morning makes no mention of the fact, though uniting in commenting upon the serious situation, both civil and military, in Italy, yet I learned last night from an unofficial but what I deem a reliable source that a war council from France suddenly called to consider the crisis presented on the Italian front where, according to the report, 60,000 Italian troops have been made prisoners and more than 500 guns captured. The question of paramount importance discussed was that of the practicability of sending French troops to their assistance.

SHARP

File No. 763.72/7458

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *October 27, 1917, 5 p. m.*
[*Received October 28, 5.30 p. m.*]

1158. All reports tend to show that the German-Austrian successful offensive on Isonzo front is very serious. Official news agency terms situation grave but declares confidence in army and people. The German reenforcements now engaged on the Italian front are reported on good authority to be over 150,000. Ten divisions have been identified. Government officials say more, placing number at double foregoing. The Cabinet crisis complicates matters. The King has arrived Rome and it is reported may decline to accept resignation of the Ministry as best way to meet the situation but some well-informed public men think new Cabinet may be agreed on to-morrow with Orlando, Sonnino, Nitti, Bissolati as members.

If conditions admit it would be a great advantage and important reenforcement here if we declared war to exist with Austria. I believe it would help immediately.

NELSON PAGE

File No. 763.72/7605

The Secretary of State to the French Ambassador (Jusserand)

No. 1983 WASHINGTON, *October 30, 1917.*

EXCELLENCY: I have the honor to enclose herewith, for transmission to Your Excellency's Government, a copy of a note dated October 26, 1917,[1] from the Minister of Serbia at this Capital, relative to the conference of the Allied powers to be held at Paris next month.

Accept [etc.] ROBERT LANSING

File No. 763.72/7501

The Minister in Rumania (Vopicka) to the Secretary of State

[Telegram]

JASSY, *October 22, 1917, 1 p. m.*
[*Received October 30, 1.30 p. m.*]

159. Roumania asks our Government to support her in her demand to participate in the conference of Allies to be held at Paris. She depends on the policy of the United States in upholding the

[1] The original note printed *ante*, p. 280.

rights of small nations. She wishes to be represented there because the relations between the Allies and Russia will be settled in which she is especially interested as to what help she can expect from Russia and what her situation will be. VOPICKA

File No. 763.72/7502

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *October 29, 1917, 12 noon.*
[*Received October 30, 3 p. m.*]

1160. Situation along Isonzo front continues very grave where Germans now reported having 23 divisions and Austrians have broken through actual back Italian Second Army in apparent attempt to crush completely Italian center and cut off right wing. Cividale rumored burnt to destroy stores and reported general headquarters withdrawn from Udine to point north of Treviso. Everything tends to show Germans and Austrians are making supreme effort to break through deficient Italian front believing such a disaster will cause revolution Italy. No such result will follow; the break in the Second Army has been a distinct shock but Italy seems rallying to meet the occasion. Press generally asserts that not only Italy's but the Allies' cause is at stake. I believe this to be true and if sure that conditions in America admitted it, I would earnestly suggest that in this exigency we give every and [*sic*] material support possible.

England and France reported rushing artillery to Italy's support.

NELSON PAGE

File No. 763.72/7514

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *October 30, 1917, 6 p. m.*
[*Received October 31, 3 p. m.*]

1163. Military situation seems to be more in hand. Italian withdrawal towards the Tagliamento line reported as being carried out in good order. Better spirit generally prevails. Reorganization of new Cabinet now completed has helped. All parties seem ready to suspend quarrels until the national crisis is passed. Austrians and Germans claim huge captures men and material; probably exaggerated but they have considerable.

I had an audience with the King to-day; he seems certain of ultimate success. A concentrated united effort against the German-Austrian forces now pushing into Italian plains might prove decisive of struggle.

NELSON PAGE

File No. 763.72/7501

The Secretary of State to the French Ambassador (Jusserand)

No. 1984 WASHINGTON, *November 1, 1917.*

EXCELLENCY: Referring to my recent note on the subject of the participation by the Serbian Government in the conference of the Allies at Paris, I have the honor to inform you that the American Minister at Jassy has advised this Department that the Government of Roumania likewise claims that it should participate in the same conference.

Accept [etc.] ROBERT LANSING

File No. 763.72/7528

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *October 26, 1917, 7 p. m.*
[Received November 1, 11.40 a. m.]

1913. Sent no conditions cable yesterday because I could not see Minister of Foreign Affairs who telephoned canceling evening conference, saying that he had important business with the Council of Ministers and would make his statement to the Council of Republic to-day or to-morrow. Told him should like personal conference before his making such a statement. [Minister] telephoned cannot see me to-day but I learn from Foreign Office will not make his statement to the Council of Republic to-day. Suspect that he is having difficulty with statement and may deliver it without seeing me; of course I shall not ask to see same nor what it contains but hope he will talk freely thereof. Council of Republic and Council of Ministers may both attempt to control editing instructions concerning Paris conference.

As already expressed, I sincerely doubt wisdom of Allied conference now and should like it abandoned if possible. Russia is sick but can be more effectively treated at home than abroad. Paris conference looked upon here as a peace meeting and if should not so develop, which God forbid, may increase peace sentiment in Russia

and possibly augment feeling for separate peace on the ground that Russia having demonstrated to Allies her unfitness for further prosecution of war is justified in making peace for her own preservation. Consequently I fear Paris conference fraught with danger for the Allied cause.

It is possible this Government may be deposed by Bolsheviki who will assume right to organize their own Government which would undoubtedly attempt peace negotiations on general lines if possible but separately if not. If no notice should be made to Allies by Russia of her unfitness [*sic*] such effort of Bolsheviki would be futile as national honor would be violated thereby and Russian pride would oppose same. Result would be overturning of Bolsheviki government, spirit of army would be much improved and Russia would renew war activity. Government is doing its best to restore army discipline and any conference looking to peace renders such task more difficult. If ten million or more soldiers should be demobilized under present prevailing Bolsheviki sentiment, God pity Russia. If conference necessary it should be postponed sixty days in my judgment. If conference must be held please cable date and American representative to whom I shall write my personal views of Russian conditions and factors therein if Department approves.

FRANCIS

File No. 763.72/7527

The Minister in Rumania (Vopicka) to the Secretary of State

[Telegram]

JASSY, *October 24, 1917, 5 p. m.*
[*Received November 1, 1.50 p. m.*]

161. The Roumanian Prime Minister convoked all the Allied Ministers to protest against the action of the Executive Committee of the Soviet in sending a delegate from this Soviet to accompany Mr. Tereshchenko to the Paris conference instructed to uphold peace program which is in fact dictated by Germany and which would take from Roumania in return for all her sacrifices the entire [reward?]. Prime Minister said the publication of such a peace program would greatly depress the Army and the people especially at a time when the Russian situation and the agonizing need for more ammunition and food has already put their confidence to such a severe test. He does not doubt that the powers will not only refuse to discuss such a peace program but will not even allow a delegate so instructed to partake in the conference. Anything to the contrary would be a real disaster for Roumania. He is convinced that the

Russian Provisional Government has the power to alter the Soviet's decision and further he wishes to call attention to the necessity of preventing any ambiguity on this point which may have a dangerous reaction here. The representatives of the Allies are unanimous in demanding their Governments to intervene immediately.

VOPICKA

File No. 763.72/7529

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 1, 1917, 3 p. m.*
[Received November 2, 1 a. m.]

1168. I judge from what I hear that the final stand will be on the Piave River. It is said that General Sir William Robertson arrives this morning, General Foch is on the front. Situation still grave but believe the people are generally firm. Saw Sonnino this morning. He stated in unofficial conversation that if America declared war on Austria it would have great effect morally. I think nothing would help more as our not having done so is used effectively, in connection with Vatican propaganda for peace, in socialist propaganda against war.

NELSON PAGE

File No. 763.72/7528

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *November 2, 1917, 3 p. m.*

1819. Your 1913, October 26, 7 p. m. Your statement that Paris conference is looked upon in Petrograd as a peace meeting. Conference is one to discuss vigorous and successful prosecution of the war and not to discuss peace terms or war settlements. You may so state to officials if they labor under any misapprehension and publicly if necessary.

LANSING

File No. 763.72/7545

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 2, 1917, 1 p. m.*
[Received November 3, 9.10 a. m.]

1171. Situation unchanged, only more news coming of Second Army's going on strike and declaring for peace with exception of certain units that fought till extirpated. All depends whether the

insidious propaganda based on socialists' literature and the Pope's peace suggestions have undermined other forces, especially Third Army on which rest hopes of immediate defense and time for reorganization. If Italy can reorganize promptly Second Army, the disaster not irremediable because the Allies are rushing in troops. At present Italians reported holding part of the Tagliamento line though believe that they are falling back on Piave line. British and French will require perhaps fortnight to get in action in force. British Chief of Staff Robertson and General Foch are here to-day canvassing situation. Intention is to try for the present to hold Venice; all depends on Italy's power to keep up fight. Little information given out but people so far calm and firm.

NELSON PAGE

File No. 763.72/7546

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 2, 1917, 6 p. m.*
[Received November 3, 9.25 a. m.]

1174. Have seen British General Robertson. He confirms substance my 1171. He says that only six German divisions identified in Italy, all seems to depend on whether Italians intend to fight or not, as England and France can help but cannot assume full burden. I hear that Cadorna says that his lines were impregnable but they were betrayed. Second Army contained 27 of Italy's 60 divisions at the front, 23 of these are reported to have thrown away tools and left front, others fought well. From two to three hundred thousand men abandoned arms. About one-third of army stores in Italy lost. Prime Minister Orlando, now at front with King, returns to-morrow, is very confident. General Robertson, full of fight, does not despair of Russia even.

NELSON PAGE

File No. 763.72/7561

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 2, 1917, 9 p. m.*
[Received November 3, 8 p. m.]

1175. Sonnino has just sent me his Chief of Cabinet to say that he has talked with Premier Orlando just returned from front and that any assistance we can furnish, including contingent of troops,

they will be grateful for. The city Bologna, strongly socialistic, has declared to-day to fight the invaders, the workmen of great Ansaldo Company have done same. I feel my duty to say I believe that an assurance on our part now that we will help Italy repulse the invasion may prove turning point of the army.

NELSON PAGE

File No. 763.72/7557

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 3, 1917, noon.*
[*Received November 4, 10 a. m.*]

1177. My 1175. Any promise of troops we might make would, of course, be contingent on Italy's fighting with all her might for herself. General Pershing can get exact situation from Generals Robertson and Foch, who have been on the ground. I believe Italian Government would rather have our declaration of war against Austria than our troops.

NELSON PAGE

File No. 763.72/7577

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 4, 1917, 6 p. m.*
[*Received November 5, 6.30 a. m.*]

1181. I judge from reports deemed reliable attitude of people throughout Italy reasonably satisfactory except in Florence where much antiwar feeling, but Sonnino who is Florentine says they are not active propagandists. However refugees who have lost everything are spreading through Italy by thousands and from two to three hundred thousand strikers from the Second Army are not yet reorganized. Sonnino leaves to-night to confer with Lloyd George and the French Minister, Generals Robertson and Foch also going. Present outbreak indicates that Italy will continue fight if military situation admits. According to reports deemed reliable this situation is: Italians retiring from the Tagliamento line where left wing was pushed back after heroic fighting, several cavalry regiments having been annihilated. This retirement on Piave line caused withdrawal of Fourth Army from Carnia, Dolomite Range, where it had just captured Mount Marmolada. Germans, Austrians have massed heavy forces in Trentino and intend making from there strongest attack which if successful will necessitate retiring from Piave to Adige line. This will lose Venice but Cadorna says Adige

line can be held and Italy can still win in plain. Spirit of Fourth Army said to be fine, that of First and Third good. The foregoing is based on best obtainable information. Official reports contain little and people are gradually learning real situation. Considering the extraordinary propaganda, Austrian and other, against keeping on, I think the people as a whole have shown great resistance.

NELSON PAGE

File No. 763.72119/1023

The British Embassy to the Department of State[1]

An agent has been sent to Switzerland, according to confidential information received by the British Minister at Berne, for the purpose of letting Great Britain know *officieusement* that if she is prepared to enter into *officieuses* conversations on the subject of peace, the Austrian Government would pledge their honour that the matter would be kept secret. Count Czernin would be ready to make an immediate declaration that, in spite of the recent Austrian success against Italy, the integrity of Italian territory as it existed before the war will be guaranteed.

The British Minister at Berne has been instructed to advise his informant that he is convinced that peace can only be discussed by His Majesty's Government with their Allies but that if the Austrian Government have a definite proposal to make, he will forward it. The French, Italian and Russian representatives at Berne will be informed by the British Minister of what has passed.

November 5, 1917.

File No. 763.72/7594

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *November 5, 1917.*
[*Received November 6, 9.20 a. m.*]

1592. German press summary: Chancellor Hertling now opposed only by Conservatives, the Socialists having abandoned earlier opposition for attitude of reserve.

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[1] Memorandum attached by the Assistant Secretary of State Nov. 5: "This secret memo was handed to me this morning by Mr. Robertson of the British Embassy. He said that it was received in the Embassy on Saturday, November 3, but a further telegram just received says that Count Czernin has sent a further communication to the British to the effect that the German-Austrian drive into Italy does not alter the proposition made in his first communication. The British Embassy seems convinced of Count Czernin's *bona fides* with regard to his pledge. W.P."

Kreuzzeitung voices Conservative objections to having Bavarian as Prussian Premier and further sharply criticizes Hertling's attitude in making acceptance of chancellorship contingent on result of his conferences with party leaders. This cannot be considered precedent since all circumstances surrounding Hertling's appointment are exceptional.

Tägliche Rundschau writes that fact of Kühlmann's instrumentality in arranging Hertling's appointment shows be expected of new war policy. Von Kühlmann has the Chancellor he wants so that Conservatives cannot suppress apprehensions for future.

Börsen-Zeitung writes that Von Kühlmann was instrumental in solving crisis but acted at request of Michaelis and with Hertling's approval.

Germania writes Hertling has been left free hand in choice collaborators, Reichstag will meet middle November when Hertling will set forth his policy.

Tageblatt writes Hertling never was candidate of Reichstag Majority which had strong objections to him but subordinated them to the imperative interests of the nation. *Tageblatt* is pleased at evidences of break with old system and approach towards parliamentarization.

Vorwärts that crisis is turning point in history of German politics. Although it cannot be said with absolute certainty that Germany has parliamentary system it is demonstrable that the greater part of the way from autocracy to parliamentarization has now been traversed by Germany. Hertling is parliamentarian by career, he was appointed on basis of negotiating with leaders of Majority parties and will choose most important associates from ranks of those parties. His is parliamentary system in substance at least and important precedent has been established which must be respected in future. Socialists will not be represented in Government but party will support Government as long as it loyally carries out program of Majority parties. Evolution of Germany has passed stage where any return to autocracy is possible.

B. Z. am Mittag writes that Hertling's appointment is turning point in German politics and that evolution has taken place in few days which took years of strife and revolution in other countries. This is due to fact that Crown wasn't blind to signs of the times. Now that Germany has Chancellor who has had long parliamentary career Vice Chancellor from body of the Reichstag and Prussian Vice Premier from body of Prussian Diet no one can say any longer that Germany isn't free but ruled by despots.

National Zeitung writes that parliamentarian will be appointed chief of Imperial Chancellery.

Vorwärts reports Prussian suffrage reform will be embodied in three distinct bills, one for reform of elections to Lower House, one for reorganization of Upper House and one for the extension of budget rights of Upper House. Twelve new seats in Lower House are provided.

Tageblatt prints open letter sent by member Prussian Diet to Von Heydebrand appealing to him to save old Prussia by cooperating with Center and National Liberals to have Prussian suffrage act provide for vocational representation in Parliament which would give each calling in life its proper representation.

Vorwärts reports Vegerwald president of Christian Labor Congress made member of Prussian Upper House being first labor representative to enter that body.

Tageblatt reports Maximilian Harden forbidden to deliver any lectures, political or literary, anywhere in Germany until further notice. Reichstag [member] Gothein forbidden to hold public meeting in city where Fatherland Party meeting allowed.

Deutsche Zeitung prints article violently attacking Erzberger, claiming he said in his speeches submarine war might possibly be successful in 1919 or 1920, that Germany would pay Belgium indemnity and that submarine war would be stopped during peace negotiations, also that he intimated to Crown Prince during July crisis that he might never succeed to throne unless he agreed to internal changes.

Norddeutsche Allgemeine Zeitung, *Kölnische Zeitung* and *Die Post* publish similar articles on American military aid in which it is asserted that America cannot throw any decisive weight into the scales in 1918, that she is unable and unwilling to do very much in that year but is merely concerned in organizing an efficient army and fleet and building merchant marine.

Chemnitz *Volksstimme* writes that latest reports from America, especially results of Liberty Loan and presence of American troops in trenches on western front, indicate that America is much more serious with her war preparations and is not giving much thought to peace just now.

Vossische Zeitung reports indirectly from London sending of few American troops into trenches constitutes about all America will do at present. War Department replied to appeals from Entente that war of attribution [*sic*] would have to be continued until spring of 1919 in order to give America time to get ready. Americans are forced to admit inability to take any considerable part in aerial warfare before 1918.

B. Z. am Mittag quotes letter from Lord Cecil to Danish political economist Birck published in Danish press wherein attempt is made to place onus for severe blockade policy of Allies on America.

Kölnische Volkszeitung prints article on Holland and America, insinuating trying to pick quarrel with Holland as pretext for occupying Dutch Indies.

Vorwärts of 29th wrote beyond doubt military developments will cause Italian war party to preach continuance of war at all costs. Thus it duty of our statesmen to make it clear to Italians that even this latest victory doesn't alter Germany's peace policy set forth in Reichstag peace resolution, reply to Pope and Count Czernin's speech. Unnecessary to declare expressly that offensive against Italy doesn't aim at conquest. Our sole object is to come nearer to peace. Austrian Premier also declared subsequent to offensive that Austria's peace policy remained unaffected thereby.

Germania wrote Entente evidently fears Germany's diplomatic offensive. After our splendid military accomplishments in Italy and elsewhere nobody can talk of our weakness any longer. All greater is the moral strength of our policy. Barthou's speech teaches us we must continue on course we have adopted and pursued with all success and could possibly expected [*sic*] in view of hopeless stubbornness of enemy governments. In saying that we must continue this policy we don't mean Germany would make peace offer every day, but we mustn't omit anything calculated to make it clear to peoples of enemy countries that we are not the ones who want continuance of war and bear responsibility therefor. If truth spreads far enough so that it cannot longer be hidden by eloquent enemy statesmen then we shall have made good progress. Unnecessary to dispute fact that military successes such as achieved by us in abundance during past months are best means of peace but a wisely guided policy which embraces the whole world situation in its broad gaze is the best and decisive supplement to military success and it is that that we want.

Leipziger Neueste Nachrichten writes that Isonzo victory must put an end to peace appeals. Czernin's offer no longer holds good and only peace possible is one based on hard facts of military situation. Germany's policy must keep pace with military successes.

Weser Zeitung writes that victory should muzzle all Austrian peace talk and make plainer to Austrians community of our interests, especially in connection with forceful Mediterranean policy.

Hannoverscher Kurier prints with approval article on submarine war by Nautilus in *Nieuwe Rotterdamsche Courant* stating submarine war bound to be decisive for Centrals before end of 1918 unless radical remedy found.

Kölnische Volkszeitung writes that developments in Far East are strong factor for peace as Anglo-Saxons are already viewing with apprehension Japanese activity in China and know that prolongation of European crisis will permit Japan to establish herself so

strongly that Anglo-Saxons can never regain their leading position. Japan has furnished splendid example of what firm policy can force England to do.

Vorwärts writes that coal distribution in Berlin is wholly inadequate and that if people are not to freeze more coal must be supplied very soon.

Kreuzzeitung reports Hevenstein said in meeting Reichsbank board of directors that savings bank credit associations and insurance companies subscribed nearly as much for seventh as for sixth war loan so that whole people contributes. Eighty per cent of subscriptions was actually paid in October 27.

GARRETT

File No. 862.002/35

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *November 5, 1917, 6 p. m.*
[Received November 6, 6.45 p. m.]

1533. Although the Reichstag was not permitted to have a voice in selecting the new Chancellor, his candidacy for the first time in German history was submitted to the Reichstag for its approval. Faced with the Emperor's offer of the post to Hertling, the press of Reichstag Majority parties, reflecting the attitude of the leaders in the interparty conferences, adopted a distinctly hostile tone and at one time Hertling's acceptance which he apparently made conditional upon promised support in the Reichstag seemed very doubtful. The hostile tone was changed to one of sceptical gratification following Hertling's conferences lasting two days with the party leaders during which he apparently conceded the demands of their program which was partially outlined in Legation's No. 1508, October 29, 7 p. m.,[1] except in reference to setting aside article 9 of the Constitution which prevents members of the Reichstag from being at the same time members of the Bundesrat or of the Government. As a concession he seems to have promised to fill three important Government posts with Reichstag members.

In these proceedings the press of all colors sees a most distinct break with the old system which the Radicals and Liberals greet as a precedent which will be further developed in the future though they agree that everything including their support depends upon how well the new Chancellor carries on their program. Their sceptical attitude is largely based on Hertling's past unfriendliness towards parliamentarism. The Socialists even refuse to bind themselves

[1] Not printed.

through the acceptance of a ministerial post for one of their members.

The Pan-German and big business papers are loud in their denunciations of the change to the parliamentary system wherein they see gross violations of the rights and dignity of the Crown. Some Conservative papers are more reserved, are evidently bent on trying to undermine the position of the Majority parties by luring Hertling away from a foreign policy conducted by Kühlmann and based upon the German answer to the Pope and by calling up the spectre of future Socialist preponderance and intimate that in future Conservatives cannot be held responsible for governmental mistakes.

The greatest fear of these two opposition groups undoubtedly arises, however, from the now almost certain prospect of electoral reform in Prussia, the bill for which, it is stated, has already received the Royal approval and which if correctly reported actually creates liberal modern franchise conditions. The bureaucratic militarist press foresees therein the eventual demolition of the great stronghold of Junkerdom from which they ruled the Empire.

Interesting evidence of the trend of events is given by Bülow's attempts to jump aboard the parliamentary band wagon as it is reported that he had the Majority parties informed of his willingness to accept their program if they would support his candidacy.

The significance of Hertling's appointment and the break with tradition and precedent which it represents lies largely in three factors: his parliamentary experience and supposed intention to follow parliamentary methods; accession to south German desire for more influence in the Empire; gratification of the Catholics and consequent guarantee of strong support of Center Party so necessary to Reichstag Majority and which in principle is against the Socialists. The ruling authorities have evidently attempted to offset the large net concession granted to liberalism by strengthening as much as possible their present position against future demands.

AMERICAN LEGATION

File No. 862.20261/28

The Consul at Tiflis (Smith) to the Secretary of State

No. 66 TIFLIS, *October 4, 1917.*
[*Received November 7.*]

Subject:—Propaganda among the Kurdish Tribes

SIR: I have the honor to enclose herewith for the Department's information a copy of my despatch to the Ambassador on the above subject.

I have [etc.] F. WILLOUGHBY SMITH

[Enclosure]

The Consul at Tiflis (Smith) to the Ambassador in Russia (Francis)

TIFLIS, *October 4, 1917.*

SIR: I have the honor to report that from reliable information I have received from various sources, it appears possible to open up negotiations with the Kurdish tribes of Kurdistan, with a view of starting an uprising against the Turks and their cooperation with the Allies on lines similar to those adopted by the Arabs under the Sheik of Mecca. Negotiations can be started from Van. It would be necessary, however, to promise them their independence. The Armenian leaders fully support this plan which they believe not difficult to carry out. Kurdish assistance would be of considerable advantage on this front and would appear to justify the small sacrifice involved. The cost of such negotiations and of a propaganda among the Kurds, would be trifling and I could form the necessary agencies from Tiflis.

I have [etc.] F. WILLOUGHBY SMITH

File No. 763.72/7619a

The Secretary of State to the Ambassador in Great Britain (Page)[1]

[Telegram]

WASHINGTON, *November 7, 1917, 6 p. m.*

5739. Please deliver following to House and furnish copy to Sims:

Upon receipt of advices of arrival of mission in England following press statement will be published:[2]

The Government of the United States will participate in the approaching conference of the powers waging war against the German Empire and has sent as its representative Mr. Edward M. House, who is accompanied by Admiral W. S. Benson, Chief of Naval Operations; Gen. Tasker H. Bliss, Chief of Staff, U.S.A.; Oscar T. Crosby, Assistant Secretary of the Treasury; Vance C. McCormick, Chairman of War Trade Board; Bainbridge Colby, United States Shipping Board; Dr. Alonzo E. Taylor, representing the Food Controller; Thomas Nelson Perkins, representing Priority Board; and Gordon Auchincloss, as secretary.

The conference is essentially a "war conference" with the object of perfecting a more complete coordination of the activities of the various nations engaged in the conflict and a more comprehensive understanding of their respective needs in order that the joint efforts

[1] On Nov. 9, by telegram No. 5761, the Ambassador was further instructed to "Repeat to Paris, Berne, Rome, Hague, Copenhagen, Stockholm, Christiania, Petrograd, with instructions to give to press, Secretary's statement concerning American mission."

[2] On Nov. 8, 12.10 p. m., a telegram (No. 7631) was received from the Ambassador: "Mission arrived in London at 12 o'clock last night." (File No. 763.72/7622.)

of the cobelligerents may attain the highest war efficiency. While a definite program has not been adopted, it may be assumed that the subjects to be discussed will embrace not only those pertaining to military and naval operations but also the financial, commercial, economic and other phases of the present situation which are of vital importance to the successful prosecution of the war.

There will undoubtedly be an effort to avoid any conflict of interests among the participants; and there is every reason to anticipate that the result will be a fuller cooperation, and consequently a much higher efficiency and a more vigorous prosecution of the war.

The United States in the employment of its man-power and material resources desires to use them to the greatest advantage against Germany. It has been no easy problem to determine how they can be used most effectively since the independent presentations of requirements by the Allied Governments have been more or less conflicting on account of each government's appreciation of its own wants, which are naturally given greater importance than the wants of other governments. By a general survey of the whole situation and a free discussion of the needs of all the approaching conference will undoubtedly be able to give to the demands of the several governments their true perspective and proper place in the general plan for the conduct of the war.

Though the resources of this country are vast and though there is every purpose to devote them all, if need be, to winning the war, they are not without limit. But even if they were greater they should be used to the highest advantage in attaining the supreme object for which we are fighting. This can only be done by a full and frank discussion of the plans and needs of the various belligerents. It is the earnest wish of this Government to employ its military and naval forces and its resources and energies where they will give the greatest returns in advancing the common cause. The exchange of views which will take place at the conference, and the conclusions which will be reached, will be of the highest value in preventing waste of energy and in bringing into harmony the activities of the nations which have been unavoidably acting in a measure independently.

In looking forward to the assembling of the conference, it cannot be too strongly emphasized that it is a *war* conference, and nothing else, devoted to devising ways and means to intensify the efforts of the belligerents against Germany by complete cooperation under a general plan and thus bring the conflict to a speedy and satisfactory conclusion.

LANSING

File No. 763.72/7610

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 7, 1917, 5 p. m.*

[*Received 11.30 p. m.*]

1192. No information given out but reported two more divisions commanded by General Giorgi who were defending Tagliamento line have been cut off and captured, it may be part of the force

lost four or five days ago. Report is that Italians still holding Trentino line, nothing known of conclusions conference of Allied generals and ministers in Italian Riviera but French and British troops are being sent to Italy by train and *camions* and rumor is that Pétain will be placed in command. Criticism of Italian military leadership beginning, one rumor is that over score of officers of Second Army have been shot among them General Capello, commander of Second Army who was ill at the time of battle, seems hardly credible.

People comparatively calm but in Florence considerable murmuring. In Milan little business being done and evident uneasiness but Sacred Union of Socialists, Clericals and others have signed an address to country to stand solid for Italy. In Rome over three hundred deputies have signed a patriotic address praising the patriotism of the people of the Veneto and calling on everybody to forget differences; also that Italy can not be conquered but that she must continue her mission of civilization.

Cadorna has put all of the region north of the Po under military control.

NELSON PAGE

File No. 763.72/7634

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *November 8, 1917, 10 a. m.*
[*Received November 9, 1.25 a. m.*]

2004. American citizen just arrived from Vienna without political quarantine through special favor, leaving Vienna November 1, [reports] news of successes Austro-Hungarian–German Army in Italy produced feeling depression rather than exultation in Vienna among all classes. There were no flags and no parades. General comment was, "We want peace, not victories." Informant states that it was currently reported that Austria cannot last beyond January 1, through lack of food, and people fear that victories will make more difficult realization of necessary peace.

WILSON

File No. 763.72/7635

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 8, 1917, 7 p. m.*
[*Received November 9, 12.50 p. m.*]

1197. Conditions in Italy appear under the circumstances fairly good and it looks as though they would improve but certain ele-

ments among the people undoubtedly much depressed and need whatever encouragement can be given. I hear rumors of increasing discontent among certain elements in the Army and of soldiers complaining getting only three cents per diem and having no leave. On the other hand Army seems well in hand and the retirement towards Piave has been effected successfully from military standpoint, though with vast loss of guns, material and men mainly in first few days. I hear from Minister Nitti conference at Rapallo was entirely harmonious. Barrere returned to-day. Italian Prime Minister and Minister for Foreign Affairs not yet returned, supposed they have gone to front.

I hear that Cadorna will remain ostensibly in command but council of war of four or five generals will constitute board really in command, probably with King at the head. A permanent war council of Allies has been decided on, I hear, and present intention reported to be to send all troops possible to aid Italy. There begins to be much discussion of our not being at war with Austria and *Giornale d'Italia* this morning contained editorial speaking of warm and spontaneous solidarity shown Italy by America but declares American intervention now absolutely necessary on all western fronts of which at present Italy is crucial point; declares further that the abstention of America from coalition against House of Hapsburg weakens coalition immeasurably and states intervention of America on Italian front absolutely necessary to success of Allied cause. Tremendous peace propaganda going on especially along Austrian front by Germany and Austria to weaken Italian resistance by deceptive promises of terms if Italy withdraw from Allied cause and I hear it is having dangerous effect. Many look for an early offer of peace terms to Italy and serious danger may result therefrom. We have no offsetting propaganda.

NELSON PAGE

File No. 763.72/7643

The Special Representative (House) to the Secretary of State

[Telegram]

LONDON, *undated.*

[*Received November 10, 1917, 8 a. m.*]

I beg to inform you that we were met at Plymouth by Admiral Jellicoe, General Collwell, Ian Malcolm representing Mr. Balfour, Sir William Wiseman, Mr. Irving Laughlin representing American Embassy, and the American Consul at Plymouth. We travelled by special train to London where we arrived at 12 o'clock on

Wednesday night and were greeted by Mr. Balfour, the American Ambassador, and Mr. Frazier of the American Embassy in Paris. Motor cars were provided for the transportation of the whole party by the Government and Chesterfield House was placed at the disposal of myself and my immediate suite while the remaining members of the commission were put up at Claridge's Hotel. The members of the commission immediately got into touch with the corresponding officials in the British Government and have expressed themselves to me as highly satisfied with their cordial reception and by the satisfactory progress already made in the accomplishment of their mission. On Thursday I lunched informally with Mr. Balfour alone and had conversations with the French Minister of Marine and the French Minister of Finance, both of which gentlemen happened to be in London. I may add that the British Government has left nothing undone to contribute to the comfort and convenience of the entire commission.

HOUSE

File No. 763.72119/927

The Director of the Carnegie Endowment for International Peace (Nicholas Murray Butler) to the Secretary of State

NEW YORK, *November 9, 1917.*
[*Received November 10.*]

MR. SECRETARY: I have the honor and the pleasure to enclose for your information an advance proof of a statement, which will at once be widely circulated throughout the world, recording action taken by the executive committee of the Carnegie Endowment for International Peace at a meeting held on November 1, of which you have already been advised by the secretary of the Endowment.

It is our purpose to send a copy of this form of statement to every important leader in public affairs and to every important newspaper throughout the world. It is hoped that by arranging for its appearance in papers published in Switzerland, in Holland, in Norway and in Sweden, it may in some form be reproduced in the German and Austrian press.

I should be very glad to be advised whether this division can be of any additional assistance to the Department by circulating this statement in other ways. It would perhaps be well if a copy might reach each American diplomatic and consular officer now in service. If agreeable to the Department, we should be very glad to place in

your hands a sufficient number of copies to enable the Department to forward one to each diplomatic and consular officer of the United States.

With high regard, I am [etc.]

NICHOLAS MURRAY BUTLER

[Enclosure]

Statement Issued by the Carnegie Endowment for International Peace

On behalf of the division of intercourse and education of the Carnegie Endowment for International Peace I have the honor to advise you that at a meeting of the executive committee of the Endowment held in New York, November 1, 1917, at which there were present Messrs. Elihu Root, Nicholas Murray Butler, Henry S. Pritchett, A. J. Montague, Austen G. Fox, and James Brown Scott, the following declaration was unanimously adopted:

The trustees of the Carnegie Endowment for International Peace, assembled in annual meeting at Washington, D. C., on April 19–20 last, adopted the following resolution by unanimous vote:

Resolved, That the trustees of the Carnegie Endowment for International Peace, assembled for their annual meeting, declare hereby their belief that the most effectual means of promoting durable international peace is to prosecute the war against the Imperial German Government to final victory for democracy, in accordance with the policy declared by the President of the United States.

In view of recent events, emphasized by the widespread intrigues of the German Government to deceive and mislead the peace-loving people of the world, the executive committee of the Endowment unanimously reaffirms this declaration and pledges the Carnegie Endowment for International Peace to the loyal support of those courses of action that will assure early, complete, and final victory for the arms of the Allied forces.

The path to durable international peace on which the liberty-loving nations of the world would so gladly enter, is now blocked by the blind reliance of Germany upon the invincibility of German military power and upon its effectiveness as an instrument of international policy. This reliance must be broken before any other effective steps can be taken to secure international peace. It can be broken only by defeat.

The executive committee of the Carnegie Endowment calls upon all lovers of peace to assist in every possible way in the effective prosecution of the war which has peace and not conquest for its aim.

NICHOLAS MURRAY BUTLER
Director

NEW YORK, *November 2, 1917.*

File No. 763.72/7669

The Secretary of State to the Ambassador in France (Sharp)[1]

[Telegram]

WASHINGTON, *November 10, 1917, 3 p. m.*

2798. The Department is advised that the French Government have informed the British Government that they are not prepared to invite the smaller Allies to take part in the coming Inter-Allied Conference and that the British Government have replied that they are inclined to the view that the conference proper should be confined to the larger powers with the smaller powers invited to attend when subjects affecting them are discussed, and furthermore the British Government are of the view that all the Allies should be invited to be represented at a final session of the conference and given an opportunity to state their views.

Inform the Minister for Foreign Affairs that this Government shares the opinion of the British Government and believes that an unfortunate situation would be created which might affect the issue of the war if smaller powers were given cause of complaint that they were not permitted to discuss war measures affecting their welfare with their larger Allies.

LANSING

File No. 763.72/7652

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 10, 1917, 3 p. m.*
[*Received November 11, 2.45 a. m.*]

1205. Have seen to-day both Prime Minister and Minister for Foreign Affairs who returned yesterday from Rapallo conference, where it was decided to form general commission representing "all great powers on western front." This formula used to include America which might appear excluded by term "great Allied powers." Both appear resolute to fight to a finish and believe the war can be won in Italy even though retreat continues to Piave line and Carnia region has been evacuated and Trentino will be. I learn Army in as good condition as possible after such an experience of overwhelming and [*sic*] retreat lasting two weeks and spirits are rising. French and British troops arriving help this. Orlando declares the people's calmness most admirable.

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[1] Repeated, Nov. 10, to the Ambassadors in Great Britain (No. 5770) and Italy (No. 964), for their information.

One thing greatly apprehended is some further move on the part of Pope which may further instigate people, already very tired and depressed, to decree for immediate peace. This I believe a real danger and most difficult to meet. I feel that a strong propaganda imperatively needed to counteract effect of the propaganda urging immediate peace proposals.

NELSON PAGE

File No. 763.72/7653

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 10, 1917, 3 p. m.*
[*Received November 11, 12.15 a. m.*]

1206. Both Prime Minister and Minister for Foreign Affairs spoke most earnestly of the great aid that America would render cause if she declared war on Austria or sent troops here, even 5,000 men with the starry flag, as Orlando termed it, sent immediately would have great effect. Sonnino stated that the Germans have 300,000 men now thrown against Italy. He declared that Italy could not ask for troops because should America decline such a request it would have disastrous effect but he added that if America would meet this situation and offer troops, even 5,000 men with flag, it would be a *beau geste* and he declared that Italy and himself grateful for what we have already done. I feel that declaration of war with Austria, if it can be done, or a promise to send troops to unite with Italy and her allies in repelling Germans from Italy might prove the turning point of the war. Either would have enormous moral effect.

NELSON PAGE

File No. 763.72/7651

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *November 10, 1917, 1 p. m.*
[*Received November 11, 11.45 a. m.*]

965. I have information coming from Herman Leube, a member of the German Reichstag and Committee, as follows:

Leube said the democratization of Germany had made further progress by Count Hertling's refusal to accept office when advised

by the Kaiser of his appointment and that the democratization of Germany was the basis of America's declaration of and the purpose of her war. For the first time in the history of Germany a Chancellor had notified the Kaiser that he would first require the confidence and support of the four different parties of the Reichstag before he would accept the appointment, but on Hertling submitting his program to their leaders they declined to give him their confidence. Two days after this the secretaries of state called a meeting of the leaders of the Reichstag in consequence of which Hertling was called before them and, at the meeting which took place, he was advised that he had their support, and the next morning he notified the Kaiser of his acceptance. Leube stated that Von Kühlmann would be very close to Hertling, no doubt as Foreign Minister, and would most likely be the Chancellor to succeed Hertling. Michaelis had been used merely as a stop-gap, as it was customary in Germany for an outgoing Chancellor to nominate a successor and when Bethmann Hollweg had stepped down he had nominated as Chancellor, Hertling. Leube still thought peace would be possible by the new year as he thought Russia was finished and the recent reversals in Italy, which he predicted would in the next three weeks be increased considerably owing to the untenable position of the Italian troops, would, when it became known to the people of Italy, either cause a revolution or separate peace with Germany. Leube stated that Germany had no desire for war with Italy and wished no indemnity or territory from them. He further said that the Italian Army consisted of about 1,500,000 men, and not 3,000,000, and of this one-third had already been smashed. He said that withdrawal of 750,000 German troops from Russia and Italy hurled against a new position not yet defined on the western front would also have a tremendous bearing on the war; that France was also tired of the war and the withdrawal of Italy and Russia would have such an effect upon France that possibly by Christmas England would be bearing the brunt of the burden which he did not think they would be willing to do. He stated that there were at present 2,100,000 prisoners of war in Germany, of which 300,000 were in camps, the balance scattered throughout the Empire doing work. Leube said that Germany was at present in excellent condition, bounteous crops of Servia and Roumania had given them plenty of food and plenty of meat was procurable throughout Germany as cattle breeding had been very good with large returns. Benzine and oil were plentiful.

MORRIS

File No. 763.72119/8261

The Secretary of the Special Mission (Auchincloss) to the Secretary of State

[Telegram]

LONDON, *November 11, 1917, 8 p. m.*
[Received 10.35 p. m.]

For Polk:

Conferences in Paris postponed until November 22. We remain here for another week at least and do not return here after leaving. Prime Minister and military authorities return first of this week. Conferences proceeding satisfactorily. Members of the commission are making very favorable impression according to Wiseman. Balfour says our visit could not have come at better time. McCormick and Taylor very anxious to see ministers to northern neutrals. Please answer to our cable. Advise family well.

AUCHINCLOSS

File No. 862.20261/28

The Secretary of State to the Consul at Tiflis (Smith)

No. 106 WASHINGTON, *November 12, 1917.*

SIR: The Department acknowledges the receipt of your despatch of October 4, 1917, No. 66,[1] on the subject of propaganda among the Kurdish tribes. As the purpose of your suggestion appears to be the organization of an uprising against the Turks, with whose Government the United States is not at war, it is not possible for the Department to approve the interesting plan which you suggest.

I am [etc.]

For the Secretary of State:
WILBUR J. CARR

File No. 763.72/7690

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 12, 1917, 5 p. m.*
[Received November 13, 12.05 a. m.]

1213. For information. I learn from British Ambassador that he has received sort of circular instruction from British Minister

[1] *Ante*, p. 294.

for Foreign Affairs saying that his Government feels that closer and more confidential relations should exist between the British Embassies and those of the United States.

NELSON PAGE

File No. 763.72/7702

The Serbian Minister (Michailovitch) to the Secretary of State

WASHINGTON, *November 12, 1917.*
[*Received November 13.*]

EXCELLENCY: The Royal Serbian Government, with the intention to greet the entry of the United States into the war against Germany, the common enemy, and to thank her for the financial help extended by the Government of the United States to the Serbian Government for the successful prosecution of the war, sends a special mission to Washington, which is to be composed of Dr. Milenko Vesnitch, Minister Plenipotentiary in Paris, chief of the mission; Mr. Sima Lozanitch, former Minister of Agriculture; General Michailo Rachitch, representative of Serbian General Headquarters to French General Headquarters; Reverend Nicolai Velimirovitch, representative of the Serbian Red Cross; Lieutenant Colonel Nenadovitch; Captain Yovitchitch; and one attaché of Legation.

The mission will sail from France on November 17, for New York.[1]

In communicating this to you, I place myself at your disposal for any further information you may require.

I beg to renew [etc.] L. MICHAILOVITCH

File No. 763.72/7653

The Secretary of State to the Ambassador in Italy (Page)

[Telegram]

WASHINGTON, *November 15, 1917, 1 p. m.*

970. Your Nos. 1205 and 1206 regarding the Italian situation have had the President's earnest consideration. Your reports go to Colonel House for use in the conference of cobelligerents.

The heart of the American nation is in keen sympathy with the Italian people. Our people have confidence in their Italian brethren. We realize that the Italians possess in a remarkable degree the

[1] By a note of Nov. 13 (unnumbered), the sailing date was changed to Nov. 24, and in another note of Nov. 15 (unnumbered), the Minister stated that the mission's departure had been indefinitely postponed on account of the meeting of the Inter-Allied Conference (File Nos. 763.72/7722, 7751). The mission arrived in the United States, Dec. 20.

strength to achieve, the will to dare, and the patient skill to aid their strength and will to win. Our representatives in the present conference are keenly alive to Italy's needs and are inspired with the determination to leave no effort unessayed whereby America may advance our common cause against the common enemy of free mankind.

LANSING

The Organization at Rapallo of the Supreme War Council, November 7; Agreement of the United States to Take Part—Peace Overtures from the Central Empires—American Assurances to Rumania

File No. 763.72Su/–

The British Embassy to the Department of State

MEMORANDUM

Under instructions from the British Prime Minister, the British Embassy have the honour to make the following secret communication:[1]

At a conference held at Rapallo on the 7th instant, of the British, French and Italian Governments, the following scheme of organization of a Supreme War Council with a permanent military representative from each power, was adopted:

1. With a view to the better coordination of military action on the western front, the Supreme War Council is erected composed of the Prime Minister and a member of the Government of each of the great powers whose armies are fighting on that front. The extension of the scope of the council to other fronts is reserved for discussion with the other great powers.
2. The Supreme War Council has for its mission to watch over the general conduct of the war; it prepares recommendations for the decision of Governments and keeps itself informed of their execution and reports thereon to the respective Governments.
3. The general staffs and military commands of the armies of each power, charged with the conduct of the military operations, remain responsible to their respective Governments.
4. The general war plans drawn up by the competent military authorities are submitted to the Supreme War Council which, under the high authority of the Governments, ensures their concordance and submits, if need be, any necessary changes.
5. Each power delegates to the Supreme War Council one permanent military representative whose exclusive function is to act as technical adviser to the council.

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[1] Before this memorandum was received by the Department the portion describing the proposed council had been made public.

6. The military representatives receive from the Governments and competent military authorities of their country all the proposals, information and documents relating to the conduct of the war.

7. The military representatives watch day by day the situation of the forces and the means of all kinds of which the Allied armies and the enemy armies dispose.

8. The Supreme War Council meets normally at Versailles where the permanent military representatives and their staffs are established. They may meet at other places as may be agreed upon according to circumstances. Meetings of the Supreme War Council will take place at least once a month.

The permanent military representatives will be: for France, General Foch; for the United Kingdom, General Wilson; for Italy, General Cadorna.

The Supreme War Council at Rapallo directed its permanent military representatives to furnish an immediate report on the present position at the Italian front. They were to consult with the Italian General Headquarters, examine into the state of affairs now existing and advise, after a general review of the military situation on all fronts, as to the assistance, both in nature and amount, which the British and French Governments should give, as well as to the manner in which that assistance should be applied.

The Italian Government, for their part, undertook that instructions should be issued to the Italian Supreme Command for the granting to the permanent military representatives of every facility both as regards movement in the zone of operations and documentary information.

The British Embassy are instructed to state that the above scheme has been for some time under consideration and that the British Government had intended to submit it to the coming Allied conference. Recent events on the Italian front, however, which rendered it absolutely indispensable to adopt immediate steps with a view to securing unity of direction among the armies of the Allies operating on the western front, precipitated the decision to make a beginning on the western front. There was, consequently, no opportunity of consulting the American and Russian Governments. Further measures, which will require to be carefully considered in conjunction with the American and Russian Governments have been reserved for the present.

WASHINGTON, *November 12, 1917.*

[*Received November 16.*]

File No. 763.72/7890a

President Wilson to the Special Representative (House)[1]

[Telegram]

WASHINGTON, *November 16, 1917.*

Please take the position that we not only accede to the plan for a single war council but insist on it, but think it does not go far enough. We can no more take part in the war successfully without such a council than we can lend money without the board Crosby went over to join. The war council will, I assume, eventually take the place of such conferences as you went over to take part in and I hope that you will consider remaining to take part in at any rate the first deliberations and formulations of plans. Baker and I are agreed that Bliss should be our military member. I am happy the conference is to be postponed until the recalcitrant parliaments have settled to their senses.

Please insist in the conference on the imperative necessity of getting wheat first from Australia then from the Argentine and last from us. Taylor has the facts and they are of the gravest significance. McCormick will show you despatch from Jones. I felt obliged on principle to take the position therein stated. It is based not only on principle but on the facts and advice contained in the confidential memorandum brought over by Reading and is all the more dictated by good sense in view of the present critical situation.

WILSON

File No. 763.72/7761

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *November 16, 1917, 10 p. m.*
[*Received November 17, 3.15 p. m.*]

2754. Your 2798, 12th [*10th*].[2] Foreign Office replies that the smaller powers have been invited to assist at the military session of the Inter-Allied Conference of Paris and that they have reserved for decision at that time what will be the working procedure to be followed subsequently.

SHARP

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[1] For the statement issued by Colonel House following receipt of this telegram, see *post*, p. 339.

[2] *Ante*, p. 301.

File No. 763.72/7794

The Minister in Rumania (Vopicka) to the Secretary of State

[Telegram]

JASSY, *November 17, 1917, 8 p. m.*
[Received November 20, 5.55 a. m.]

161. My colleagues, the British and French Ministers, called on me and stated that they were sending the following telegram to their respective Governments asking me to do likewise.

The King has just asked my French colleague and me, without the knowledge of the Roumanian Government, to inform him as soon as possible what, in the case of a separate peace on the part of Russia or of a general *débandade* on the Russian front, would be the attitude of Great Britain and France towards Roumania, for [his] attitude would, he said, depend on theirs.

If, notwithstanding the defection of Russia and the failure of Italy, France and Great Britain confirmed their engagements regarding Roumania and declared their firm intention of insuring their execution on the final victory, the King would try with a portion of his troops to force a passage through Russia. His objective would be a junction with the Cossacks and ultimately, if possible, a junction with our forces in Mesopotamia but such an operation would not be feasible, however, unless sufficient time were left for the necessary preparation. In the contrary case the King would abdicate after having constituted a pro-German Government in order to afford his people a maximum of guarantees.

There is also another hypothesis. Germany might consent to treat with the King or at least with the Crown Prince but even suppose the King trusted to the word of Germany he would in no case negotiate with her without our approbation and after the confirmation of our engagements towards him. My French colleague and I told the King, speaking personally in our own names, that after Roumania's great sacrifices Great Britain and France felt more than ever bound to her in accordance with their treaty of alliance with her but the King desires this formal assurance from our Governments. My colleague and I beg the two Governments therefore to authorize us to give His Majesty this assurance without delay to cover also the case of his treating with Germany with our approval. In order to increase the weight of this declaration the King would like the United States to join in it if not by adhering to the convention at least by language implying the support of that power with a view to the realization of the national ideals of Roumania. The King requests us to ask our Governments if possible make a declaration at Washington in the same sense.

While I was working on this telegram the King's adjutant came to our Legation to ask me in the name of the King to send this telegram to my Foreign Minister. Everybody here is alarmed over the Russian situation.

VOPICKA

File No. 763.72119/927

The Secretary of State to the Director of the Carnegie Endowment for International Peace (Nicholas Murray Butler)

WASHINGTON, *November 20, 1917.*

SIR: I have received your letter of the 9th instant[1] and thank you for your offer to furnish the Department with a sufficient number of copies of a statement, an advance proof of which you enclose, recording the action taken by the executive committee of the Carnegie Endowment for International Peace at a meeting held on November 1 last, to enable the Department to forward one copy to each American diplomatic and consular officer.

The Department will be glad to receive one thousand copies for the purpose mentioned.

I beg to inquire whether the statement will be printed in any language other than the English.

I am [etc.] ROBERT LANSING

File No. 763.72119/991

The Department of State to the British Embassy

MEMORANDUM

In the British Embassy's memorandum of November 19, 1917,[2] it is stated for the information of the Department of State that, according to a telegram received from the British Foreign Office, the executive committee of Central Organization for a Durable Peace at the Hague Tribunal recently tried to arrange for a conference at Berne between representatives of Allied and enemy powers and neutrals to discuss a basis of peace; that the conference was fixed for November 12, but was postponed since the British, French and Italian Governments refused to issue passports for their nationals who desired to attend, and that His Majesty's Government informed the Dutch committee that they could not issue passports to British subjects, as communication between British and enemy subjects is illegal.

The memorandum adds that the Dutch committee now propose to hold two conferences in December, one at Berne, when neutrals will meet enemy representatives only, and the other later at Geneva, when neutrals will meet Allied representatives; that the Geneva conference will be managed entirely by French and Swiss who are making repeated efforts to induce the French Government to issue

[1] *Ante*, p. 299.
[2] Not printed.

passports to French citizens to attend; and that the British Government are inquiring what attitude the French Government intends to adopt.

In communicating this information, the British Embassy, under instructions from the British Government, inquire the views of the Government of the United States, and state that, as at present informed, His Majesty's Government would prefer not to issue passports to British subjects for this conference.

The Government of the United States is in entire accord with this attitude of His Majesty's Government, and the Department of State will take a similar course by refraining from issuing passports to American citizens who may apply for them for the purpose of attending the conference.

WASHINGTON, *November 20, 1917.*

File No. 763.72/7791

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *November 19, 1917.*
[*Received November 20, 9.55 a. m.*]

1656. German press summary:

Frankfurter Zeitung writes that progress shown by recent internal developments is of historic importance. Germany has changed over night from a state of authorities into people's state, and German people will henceforth determine their own destiny.

Tageblatt writes that it cost something of an effort but Germany now has Payer with Hertling and a goodly portion of the parliamentary system. This is victory not alone of democratic idea or of Majority parties but of wise statesmanship which wasn't tenacious of antiquated institutions but recognized the necessity of renewal. Even most convinced democrats are bound to say that Emperor by renouncing time-worn tradition has frankly come closer to his people and this is no small advance in view of persistent vigor of historic tradition in Germany and the conservative military atmosphere of the court. Germany has approached the group of parliamentary countries by a noteworthy transformation of her system of government which is by no means completed yet and the spiritual barriers separating her from the democracies of the world are bound to fall one by one. Will America now realize that the will of our people is now strong enough to create new things and isn't opposed autocratically by the new enlightened crown?

Vorwärts writes that Germany now stands shoulder to shoulder with the other nations and can no longer be denied the title of

democracy. Germany's people have themselves willed removal of those anomalies which President Wilson termed the obstacles to peace. The political revolution in Germany is calculated to increase her prestige throughout the world and deprive her enemies of their most effective moral weapon.

In *Mittags Zeitung* Erzberger writes that the German parliamentarization best suited to the history and peculiarities of the German people has now been achieved and that Germany now has the strongest Cabinet in the world.

Leipziger Volkszeitung ridicules Erzberger's statements and what it terms the hymns of the Liberal press stating that Friedberg has already been appealed to by Conservatives to oppose too much democracy in Prussia and that Payer in whom all hopes seem to be centered has small prospects of doing what is expected of him. The manner in which recent negotiations concerning Poland, Lithuania and Courland were conducted is an apt illustration of German self-government.

Norddeutsche Allgemeine Zeitung writes appointments of Friedberg and Payer are symbol of close relations between Government and Parliament in Empire and Prussia. This was object which men had in view when they determined to accept heavy responsibility attaching to their new offices, the unity of the German people being thus assured and made patent to the world. Germany is certain of foundation upon which victorious termination of war must follow. This strengthening of internal position will be welcomed by people with feeling of gratitude towards Emperor and resolve to leave aside all that disunites and close ranks in battle for future of Emperor and Empire.

In *National Zeitung* Stresemann defends policy of National Liberals during crisis on ground that it was absolutely necessary to satisfy Socialists in order that war industries might continue to work in quiet.

Vorwärts denies that Socialists used any undue pressure to force their demands and states all claims to contrary are reactionary attempts to secure in advance justification for use of violence against peaceable internal advance.

Tageblatt and *Frankfurter Zeitung* report instances of renewed activities of Pan-Germans and Fatherland Party against Reichstag.

Kölnische Volkszeitung writes that days of Food Controller Von Waldow are numbered owing to his mismanagement sugar and salt distribution and that Michaelis is probable successor.

Vorwärts reports Hertling will not address Reichstag before 29th. Parliamentary News Service reports coming Reichstag session will be brief. Chancellor will deliver *exposé* of political

situation, parties will content themselves with short statements and adjournment 5th December probable. Important bills on reapportionment proportionate elections chambers of labor and repopulation policy expected in January session, estimates for 1918 expected early February.

Leipziger Volkszeitung reports Independent Socialists have motioned to have Reichstag convened immediately for discussion Russian peace offer and German-Austrian negotiations concerning Poland.

Frankfurter Zeitung reports from Basel that publication of new peace note from Pope expected soon.

Leipziger Volkszeitung publishes appeal to German proletariat stating that Russian peace offer enlivens hope of preventing winter campaign but that hope cannot be fulfilled if German proletariat merely follows Russian developments as spectator, it is their duty to organize everywhere peace demonstrations and mass meeting in favor of general armistice.

Vorwärts reports that since Würzburg numerous mass meetings held throughout Germany passed resolutions favouring peace without annexation or indemnities regardless of military situation thus showing that German laboring classes will not listen to violence in any form. Such meetings will continue and developments in Russia make it imperative that they should be made particularly impressive and clearly show solidarity with Russian comrades who demand immediate armistice and early peace. *Vorwärts* writes that Russian idea of terminating war by means of general civil war is looked upon as Utopian in Germany and has no prospects of realization there. German workingmen without distinction welcome Russian peace proposal as promising step towards peace and expect it to be given courteous and favorable consideration.

Tageblatt writes that the hope that Russian Government will be able to assert its will for peace rests on very insecure grounds.

Frankfurter Zeitung writes that the less Germany indulges in illusions respecting peace the better for her. The appeal from Petrograd will cause no illusions. It would be better if Russian government worthy of the name existed and would seriously draw necessary conclusions from the war situation but until that takes place German people must continue to strain every nerve.

Kölnische Volkszeitung writes that problem resolves into question whether Maximalists are able to exert decisive influence on Allies.

Kölnische Zeitung writes that situation in Russia which changes every twelve hours compels attitude of reserve, time to talk will come when it is clear what party has country behind it. Germany will not be deaf to any sincere call for peace.

Kreuzzeitung criticizes Vienna *Fremdenblatt* for not having patience enough to wait and see whether Maximalists' rule had lasting qualities.

Papers attach more importance to English ministerial crisis than to resignation French Cabinet. *Vorwärts* writes that Painlevé's fall means little but news that Lloyd George is tottering draws attention of whole world to London. Painlevé is merely one page in history of world, Lloyd George is whole volume. No matter who takes Painlevé's place there will be no great change but [if] Lloyd George falls things will take an entirely different aspect.

Kölnische Volkszeitung article on South American market states that although Germany's prospects are not very rosy much reliance can be placed on American arrogance and the numerous Germans in the above countries to keep alive agreeable recollection of German merchant whose superiority was unquestioned before the war and whose superior adaptability and business efficiency should make it possible to keep Americans in check at least.

Norddeutsche Allgemeine Zeitung writes that Luxburg telegram revelations [1] have been used to revive old legend German aggressive designs on Brazil but that Germany never had such designs and that well-informed people in South America know perfectly well that all this talk is mere propaganda.

Frankfurter Zeitung prints reports from Norway to show that public opinion in that country doesn't favor break with Germany. *Frankfurter Zeitung* Hague correspondent quotes Dutch papers showing apprehension in Holland of Entente designs on Dutch territory.

Tageblatt prints article on Holland fight of self-defense against England and America stating that principal danger to Holland lies in America's fundamental ignorance of European conditions and England's acquiescence in her more radical demands. There is no question of English influence on American plans in this direction for England has taken good care to leave America free hand. America has organized commercial intelligence service of her own connected with American Legation and seems to have made arrangements with Oversea Trust similar to England's agreement. All this goes to show that America is convinced that English measures have proven inadequate and Dutch commission in America will hardly have been aided by any English prestige in Washington.

Kölnische Zeitung has suggested Holland's only practical reply; namely, interruption of Belgian relief work for this is question affecting England's prestige in Paris and Havre and in which she finds herself closer to Holland's standpoint than America. The struggle which Holland is conducting against America is one of

[1] Printed in Supplement 1, pp. 322–323.

importance to all Europe and England will be unable to close her eyes to fact that cause of Europe is her cause also.

Frankfurter Zeitung writes that Northcliffe campaign in America is intended to make America take measures against neutrals the onus for which England herself is unwilling to assume. Procedure of England and America has aroused great indignation and hatred in Holland. Systematic starvation of Holland cannot fail to drive her into the hands of the Central powers who will have to furnish Holland with whatever they can spare and could be compensated by Holland's livestock which couldn't be maintained any longer on old basis.

Magdeburgische Zeitung claims America is permitting Finland to starve and states this must be taken as sign that submarines are greatly weakening England since England and America are fully aware of Finland's after-war importance.

Kölnische Zeitung publishes editorial on illegal recruiting of neutral subjects in America. *Der Tag* publishes article by Gunther Thomas on New York mayoralty election stating that if anything can be taken as symptom of real feeling in America it is Hylan's victory and Wilson's defeat.

Kölnische Volkszeitung and *Rheinisch-Westfalische Zeitung* print abusive comment on President's Buffalo speech.

Düsseldorfer General-Anzeiger comments on House mission that if President sent Colonel House to find out how the war could be won he would have done better to send him to Hindenburg's headquarters.

Kölnische Zeitung doubts whether *Vaterland* can be used as transport since there is no drydock in America large enough for her and extensive alterations are necessary if she is to carry more than eight thousand men.

Kölnische Zeitung claims Germany's economic position is steadily improving and that on the whole she is better equipped to face the future than any one of enemy countries who are threatened with economic and military collapse.

Tageblatt writes that new and very severe regulations have been put into effect for the endorsement of the auxiliary civil service act. Papers print new appeals to send all gold and jewels Reichsbank to help improve German exchange, pointing to splendid victory over Italy as new incentive to further effort.

Hassold [*Hahn?*], German moderate source: It is said that the predominant part in the recent German evolution was played by the interparty committee whose president is Payer. In Government circles it is called the Soviet. It consists of delegates from the Social Democrats, Radicals, and Center. The National Liberals join the committee at times. This committee met on October 22 and agreed

that no leading member of the Reichstag had sufficient international experience for the post of Chancellor at the present moment. The National Liberals proposed Bülow but the Radicals and the Social Democrats were unanimously against him. Stresemann could not break this opposition though he again and again quoted Bülow's willingness unconditionally to accept the Majority program. No agreement on names could be reached. Haussmann then suggested that there was a method which would guarantee that the new man, whoever he might be, would carry out the policies of the Majority and that was to demand from the Emperor that the man he wished to appoint be induced to discuss and agree upon the inner political and foreign program with the Majority parties before accepting office. This method was finally employed. After Hertling had been tentatively chosen by the Emperor as Chancellor he refused to be also President of the Prussian Ministry which he desired made a separate office. The delegates of the Majority parties including the Center Party unanimously refused to accept this division. The Social Democrats especially were emphatic on this point. The Prussian reform bill was the question of paramount importance to them and it could not be introduced and forced through unless the President of the Prussian Ministry could be called to account in the Reichstag which could be done if he were at the same time Chancellor. Hertling finally consented to hold both offices but the Majority demanded that he should give adequate real guarantees consisting in the appointment of party leaders to the most important positions in his Ministry, the two appointments especially insisted upon being those of Friedberg as Prussian Vice President and Payer as Vice Chancellor. A good deal of dickering went on before these appointments were finally made and every possible effort to prevent them was made by the old forces. Efforts were made to induce the Social Democrats to join the Prussian Ministry but they preferred to retain their independence. All Liberals and Democrats in Germany are satisfied with the change in procedure which they believe creates a clear and binding precedent. The Reichstag always had the power which it has now exercised through its control of the budget but it has only now learned to use it. The Majority parties without the National Liberals have a clear majority. There was some danger that the Majority parties might compromise with the National Liberals thereby impairing the pure majority character of the new Cabinet. This danger has been avoided by relegating the National Liberals to Prussia where they cannot possibly do any mischief in foreign politics and where they have precise marching orders in inner politics.

GARRETT

File No. 763.72119/953

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *November 23, 1917, 12 noon.*
[*Received 5.45 p. m.*]

7782. For the Secretary and the President:

I learn from an authoritative source that certain of the Prime Minister's political advisers are anxious that he should persuade Turkey to conclude a separate peace and think that the recent military successes in Palestine make the present moment propitious for an attempt to buy offhand Turks. I understand that there is considerable opposition in naval and military circles to this idea for the following reasons: First, they consider that the Turkish Government are far too deeply in the hands of Germany to be able to make a separate peace. Secondly, the Palestine operations have not yet reached their fullest development. Thirdly, they believe that other powers such as France, Italy, and Greece have ideas of their own as to future of Asiatic Turkey which might be difficult to put into effect if the Turks made peace now and the consent of these powers to such a peace might be difficult to obtain.

Mr. Balfour's letter to Lord Rothschild [1] regarding the future of Palestine has awakened great hopes among the Zionist Jews of this country and press dispatches indicate that it has been read with interest by the Jews of America. The Zionist feeling should no doubt be kept in mind. I should be glad of an intimation of your views on this subject for discreet use in the proper quarter should occasion arise.

PAGE

File No. 763.72/7922½

The Special Representative (House) to President Wilson

[Telegram]

PARIS, *November 25, 1917, 11 a. m.*
[*Received 3.11 p. m.*]

I find the French Prime Minister a firm believer in unity of military direction but doubtful of the plan suggested by his predecessor and the British Prime Minister which resulted in the formation of the Supreme War Council. I believe something more practical

[1] Nov. 2, 1917, conveying the following statement, approved by the Cabinet: "His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine or the rights and political status enjoyed by Jews in any other country."

must be worked out and [this] Bliss and I are trying to do. The French Prime Minister assures me that he will cordially cooperate. The French Chief of Staff and the Prime Minister will confer with Bliss and me this afternoon upon the subject.

I am refusing to be drawn into any of their controversies, particularly those concerning war aims of a territorial nature. We must, I think, hold to the broad principles you have laid down and not get mixed in the small and selfish ones.

EDWARD HOUSE

File No. 763.72119/956

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *November 24, 1917, 1 p. m.*
[Received November 26, 3.10 a. m.]

3009. Following telegram from McNally, Zürich:

November 23. Should the German Government express a willingness to make known their peace terms to a duly authorized American representative, would our Government consider the appointment of such a person to receive them and to confer and exchange ideas tending towards a basis for the discussion of peace without any reference to a separate peace? Am informed that the German Government would gladly enter into such an arrangement.

WILSON

File No. 763.72/7924½

The Special Representative (House) to President Wilson

[Telegram]

PARIS, *November 26, 1917.*

The conference with Clemenceau and Pétain yesterday resulted in a clear understanding as to the military situation. They gave us information about the number of fighting men left in France and what would be necessary from us. If we send over a million men by autumn 1918, they will continue to use their own actual fighting men for offensive operations and use our responsibility [*reenforcements?*] for defensive purposes until then.

Pétain believes that whatever Supreme War Council is created should have a president or executive officer to execute its decisions. This is sure to meet with English opposition. What is your opinion of it? The English arrive to-morrow night, and on Wednesday Lloyd George, Clemenceau and I will have a conference.

EDWARD HOUSE

File No. 763.72/7867

The Special Agent in Corfu (Dodge) to the Secretary of State

No. 22 CORFU, *November 2, 1917.*
[*Received November 27.*]

SIR: I have the honor to inform you that in the course of a general conversation yesterday, Mr. Pashitch, President of the Council and Minister for Foreign Affairs, referred to the visit of a few hours' duration which Mr. Venizelos, the Greek Premier, made to Corfu the day before yesterday while on his way to visit Rome, Paris and probably also London in connection, it is believed, with financial matters and the equipment of the Greek Army. He stated that he had had a talk of one and a half hours with Mr. Venizelos and had been extremely glad to find that the Greek statesman's views exactly coincided with his own. Mr. Venizelos had stated that he hoped to be able in due time to mobilize about fifteen divisions of the Greek Army but that he was in want of arms and equipment for them. Mr. Pashitch thought, from his conversation, that Mr. Venizelos's political position had of late been considerably strengthened as the result of the publication of the Greek White Book and other documents showing the activities of the former King Constantine. These he believed had been a revelation to the Greek people who had previously no adequate idea of the lengths to which the former King and his camarilla had gone.

Regarding the military value of the Greek Army once mobilized, Mr. Pashitch did not appear to estimate it very highly but stated that it could undoubtedly be counted upon to fight against Bulgarian troops although the Greek people appeared to show a disinclination to fighting in the Allies' cause. He felt convinced that with 100,000 good troops added to those now already on the Salonica front, it would be possible to advance on this front and to cut off the Austro-German forces from Bulgaria and Turkey. In such an event, it would be no difficult matter to make peace with Bulgaria and as for Turkey, she would not be able to hold out more than two months after her communications with Germany had been broken. Mr. Pashitch expressed the opinion, which he as well as the other more prominent members of the Serbian Government often express, that the Allied powers have never fully appreciated the importance of the Balkans front. Among other advantages which the Austro-Germans obtained from their possession of Serbia and the greater part of Rumania and their communications with Turkey, he laid particular stress upon the immense quantities of supplies which the Central powers derived from these countries.

Regarding the recent serious defeat of the Italian First Army on the Carso front, Mr. Pashitch stated that he believed from the reports received that the Italian armies had now been able to reform their lines and that with French and British support, a further considerable advance of the Austro-German forces was unlikely. A large number of the Austrian troops on the Italian front were Slavs. If the Italian Government could bring themselves to make some declaration determining exactly Italy's attitude toward the Jugoslav peoples of the Austro-Hungarian Monarchy and showing to them that she was friendly to their aspirations, he thought it unquestionable that the military task of Italy would be greatly facilitated for in that case the Austrian Slav troops would practically cease fighting as they had done on the Russian front and the Jugoslav population would also afford considerable help by movements against the Austrian domination.

Italy's policy thus far, he considered, had lacked breadth of view and had been far too much engrossed in seeking to obtain small and really insignificant advantages for herself. It had failed in that hearty cooperation with the aims of France and England which was necessary to success. As an instance of this he cited Italy's efforts to get possession of Albania, as by contriving to induce certain Albanians to petition her to declare a protectorate over a portion of the country. It was true that Baron Sonnino, the Italian Foreign Minister, had lately referred both in the Italian Chamber and Senate to Italy's desire to live on friendly terms with the Yugoslavs, even at the price of "sacrifices." Both speeches however gave no indication of Italy's territorial designs nor as to the extent of the "sacrifices."

Mr. Pashitch thought that the recent great Austro-German drive against Italy was likely to be the last great effort of the Central powers as the season was now getting late for extensive offensives, and as in the spring the advent on the fronts of the American troops would give such a preponderance to the Allies that the Central powers, already further weakened by the results of the intensive blockade and other causes, would no longer be capable of attempting further great offensives. He was also disinclined to believe in any Bulgarian offensive movement for the present against the Salonica front. The reports to this effect brought in by recently captured Bulgarians, he believed to be most probably a Bulgarian ruse.

I may add that Mr. Pashitch, as might be expected, very often refers to the great desirability in his opinion of reinforcing the Salonica front and of making a forward movement there (despatches Nos. 7 of August 23 and 8 of August 31, 1917 [1]). Another idea which he often develops in conversation is that in the interest of civiliza-

[1] Neither printed.

tion and as a barrier to German threats in the Near East, quite apart from Jugoslav aspirations, the dismemberment of Austria-Hungary is necessary. So long as Austria-Hungary exists it will, in his opinion, inevitably continue to be a German power, for though the most extreme federative principle might be adopted for the peoples composing Austria-Hungary, they must continue to have a common army and foreign office. As the heads of these departments would be nominated by the Emperor, himself a German, they would also inevitably be of German character. Mr. Pashitch remarks however that the case would of course be wholly different if after Austria-Hungary's dismemberment some or all of the free nations then created should agree to form together a federated state. In such a case the authorities of this state would in no wise be German.

I have [etc.] H. PERCIVAL DODGE

File No. 763.72119/1002a

The Secretary of State to the Ambassador in Great Britain (Page)[1]

[Circular telegram]

WASHINGTON, *November 27, 1917, 8 p. m.*

Please send by mail names of group of men from whom will probably be selected the representatives of the Government at the conference which will negotiate terms of peace after the war. Please give full biographical sketch of each man named, his political affiliations, views on international questions, and all other facts showing his probable attitude on subjects which may arise during the conference or influence his course of action. You will understand that this information is desired for distant future and has nothing whatever to do with present situation.

LANSING

File No. 763.72/7646

The Secretary of State to the Belgian Minister (De Cartier)

No. 38 WASHINGTON, *November 28, 1917.*

SIR: I have the honor to acknowledge the receipt of your note of November 5, 1917,[2] in which you were so good as to give the text of a resolution drawn up by a group of Belgian and French manu-

[1] The same telegram (unnumbered), on the same date, to the Ambassadors in France, Italy, Brazil, and Japan, and the Ministers in China, Cuba, Greece, Liberia, Panama, Portugal, Rumania, Siam, and Belgium, and the Special Agent in Corfu.

[2] Not printed.

facturers, embodying a proposal that the demand be made upon Germany for the restoration in kind to Belgium of the material and machinery which has been damaged or removed from Belgium by German forces and which will be needed to enable Belgian industry to resume its activities. In bringing the matter to my attention you express the hope on behalf of the King's Government that the Government of the United States will join with the Governments of the Entente countries in proclaiming that the blockade of the Central powers will not be raised until the Belgian and French mills in the invaded region shall have been put in possession of the equivalent in material and machinery to that taken away by German forces.

In reply I have the honor to inform you that, while the Government of the United States is deeply interested in this matter to which it has given its attentive consideration, I regret to state that it is not prepared at the present time to join with the Allied Governments in such a proposal.

Accept [etc.] ROBERT LANSING

File No. 763.72119/1000

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *November 26, 1917, 6 p. m.*
[*Received November 28, 1.40 p. m.*]

2124. On Sunday the 25th, Count Károlyi, member of Hungarian Parliament, sent a messenger stating that he would like to call as he desired to make a statement to me. Knowing Károlyi's influence in Hungary, I felt the matter might be of such importance that I could not risk for the benefit of our Government refusing to see him. He therefore called at the Legation and spoke to Dolbeare and myself.

He sketched his situation in Austria-Hungary. He stated that he has maintained an independent situation and striven for democratic ideals and the defeat of German domination as typified in the *Mittel Europa* scheme. At the beginning of the war he worked with Apponyi and at the beginning of Czernin's chancellorship he worked with him but in Austria he found them too influenced from Berlin and was compelled to split. At present he has twenty-five followers in Hungarian Parliament but is acknowledged leader of Labor, Socialist and Feminist Parties and is capable of causing general strike in Hungary. Has been many times offered portfolio in Wekerle Cabinet. He has consistently refused offer because he does not feel that the course of events as yet bend in accordance with his views.

Károlyi feels that very probably in a short time he will overthrow Czernin and enter Cabinet and that the tendency will be in accord with his views. At present after victory on Italian front the Kaiser's head is turned and Czernin is flushed with victory. At first defeat by Allies there will be strong reaction and his opportunity will come.

He sketched the future for Austria in the event of a German victory, a drawn fight, and a German defeat. In any one of these cases he believed that Austria would be ruined. Austria would be ruined in the event of German victory because it would be dominated by Germany. In the event of a drawn battle it would still be dominated by Germany. In the event of a German defeat it would pay the brunt of the penalty and be classed with the Germans. He reasons that there is one way only of salvation for Austria which lies in the proposal which follows.

In the event of Károlyi's entering into the Cabinet, no matter what the outward characteristics or representation of that Cabinet might be, it may be assumed that the Hungarian Cabinet as well as the Imperial Cabinet will be opposed to the Middle Europe scheme and ready for the following proposition: that the Entente should offer a peace conference on the basis of the relinquishment of occupied territories and a discussion at the conference of debatable territories such as Italian claims, Alsace-Lorraine, Poland, etc. Austria-Hungary would then declare to Germany, "We must send delegates to the conference as we cannot fight longer," and Germany would then be obliged to send delegates in order not to be isolated. A secret agreement would, however, in the meantime be arranged between Austria-Hungary and the Entente on the following basis:

The Entente would guarantee that Austria-Hungary would not be heavily penalized territorially; that the brunt of the penalties would fall on Germany; and that Austria-Hungary should receive financial backing and raw materials to reconstruct her economic life. In return she would support the claims of the Entente in the debatable lands. Thus the Entente and Austria-Hungary would isolate Germany and throw the burden of the payment of the war upon her.

Károlyi believes that, however desirable, a separate peace is out of the question because of Germany's military hold on the country.

In developing his proposal Károlyi made certain interesting statements pertinent to the question.

When Kaiser Karl came to the throne he showed some liberal tendencies but he is very young and not very bright, he was given the glory of Italian offensive and it went to his head. Czernin is playing a double game. He talks about a conciliatory peace and is

determined to annex Poland and to give Lithuania and Courland to Germany.

Although Károlyi holds no cabinet position, he claims through his influence he is consulted on every important question that arises and if any electoral reform law is passed he will have a majority in the Hungarian Parliament.

In urging his project he cited the war of 1877 [between] Russia and Turkey, where after seeing advantageous treaty of San Stefano, Russia was shorn of fruits of victory by diplomatic isolation in treaty of Berlin.

He is convinced Germany has supplies for another year and a half and still has tremendous military forces and he does not exclude the possibility of a successful attempt to attack Paris by breaking the line in France with the help of the troops from the Russian front before America can be an effective factor in the war.

He declared that recent victory in Italy has flattered the vanity of both Emperors and has made the military party in both Austria-Hungary and Germany stronger than ever before. He then asked me point-blank how my Government and the Entente would view such a program in the event of his being able to create its possibility. He inquired of me most earnestly whether the American Government would be inclined to this proposal or was absolutely determined to crush Germany. I replied that I was unqualified to express an opinion to him on such things. I made no further statements to him of any kind through whole interview. He continued by begging me to examine his career from any source in order to be convinced of his courage, determination, independence and honesty for carrying through this project. He declared that the investigation would show that he had been an independent thinker and speaker even against the antagonism of his family and relatives and that if his fears should be realized and Hungary should fall under German domination he would leave the country forever as no free-thinking man could exist under German rule.

He impressed upon me the necessity to use discretion with whom I would speak of this matter as he had placed himself in a very dangerous position by coming to me and was risking his liberty and perhaps his life.

He stated that a hint that the matter was being given consideration, and better still, favorable consideration, would be of the greatest encouragement to him and he could use it discreetly and in proper quarters advantageously in assisting the realization of his program. Such a hint he would not consider as a guarantee but merely as a suggestion that there is a possibility from our side of a realization of his program. He has left a means at my disposal to convey this

hint, should the American Government or the Entente desire it conveyed, which is entirely secure and without risk of being compromising.

I will make prompt investigation of his position in the political world in Austria-Hungary and report thereon.

Further discussion is probably out of the question as he must return in a few days to Hungary and it is problematical whether he would receive authorization to return here as he has been attempting for a year and a half to get a passport for this trip.

WILSON

File No. 763.72/7794

The Secretary of State to the Minister in Rumania (Vopicka)

[Telegram]

WASHINGTON, *November 28, 1917, 2 p. m.*

91. Referring to your 161 of November 17, 8 p. m.,[1] please convey the following message to the King of Roumania from the President of the United States:

The people of the United States have watched with feelings of warmest sympathy and admiration the courageous struggle of Your Majesty and the people of Roumania to preserve from the domination of German militarism their national integrity and freedom. The Government of the United States is determined to continue to assist Roumania in this struggle.

At the same time I wish to assure Your Majesty that the United States will support Roumania after the war to the best of its ability and that, in any final negotiations for peace, it will use its constant efforts to see to it that the integrity of Roumania as a free and independent nation is adequately safeguarded.

LANSING

File No. 763.72/7690

The Secretary of State to the Ambassador in France (Sharp)[2]

[Circular telegram]

WASHINGTON, *November 28, 1917, 2 p. m.*

In order to secure best results in cooperating with the Allies, the Department feels that the American diplomatic missions should endeavor to establish with Allied representatives as close and confidential relations as possible. LANSING

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[1] *Ante*, p. 309.

[2] The same telegram (unnumbered), on the same date, to the Ambassadors in Great Britain, Italy, Russia, Spain, and the Ministers in Switzerland, the Netherlands, Sweden, Norway, and Denmark.

File No. 763.72119/965

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 28, 1917, 7 p. m.*
[*Received November 29, 3 p. m.*]

1251. I hear that yesterday Vatican sent out through Associated Press statement that the Pope is in favor of a peace just and durable, and discountenanced loose peace efforts on the part of certain persons in United States, also discountenanced chain system of peace prayers.

To-day Vatican has given Associated Press representative here statement part of which sent to Cardinal Bourne, London, replying to attack on Vatican by London *Morning Post*. It declares that Pope is and has always been unprejudiced spectator trying to adjust differences of combatants. Denies charge that he is a pacifist, working to stop war at all costs; denounces charge that Vatican is implicated in disruptive propaganda; states Pope's appeal inspired by integrity and to influence of no power and says, in fact, if any countries are favored they are not Central Empires. Emphasizes point that note was addressed to heads of belligerents not the peoples, further states Roman hierarchy and clergy have labored loyally to counteract disintegrating propaganda and that chaplain in chief informed supreme civil authorities of conditions Army.

NELSON PAGE

File No. 763.72119/953

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 30, 1917, 3 p. m.*

5930. Your 7782.[1] For your information. The conclusion of a separate peace with Turkey is regarded as chimerical and of questionable advantage even if it could be accomplished. At the conference which closes the war arrangements must be made with regard to Constantinople which could not be made if peace were first declared with Turkey. At the present time separate peace could only be made which would preclude any radical changes of control over Constantinople and the Straits. It appears, therefore, to this Government that the only advantage to be gained by separate peace with Turkey now would be to prevent the bargains of the Allies with regard to Asia Minor from being carried out at the end of the war.

LANSING

[1] *Ante*, p. 317.

File No. 761.00/11a

The Secretary of State to the Minister in Sweden (Morris)

[Telegram]

WASHINGTON, *November 30, 1917, 4 p. m.*

427. Department informed secret treaties are being published by Bolsheviki government in Petrograd but their publication here held up by Allies' censor. Please telegraph substance of all treaties so far published. LANSING

File No. 763.72119/956

The Secretary of State to the Chargé in Switzerland (Wilson)

[Telegram]

WASHINGTON, *November 30, 1917, 4 p. m.*

1170. Please state orally to McNally but do not give him a copy of following:

Referring to his telegram November 23.[1] For your information. The Department is not prepared to authorize a representative to confer or exchange ideas as a basis for the discussion of a general peace without the full knowledge and agreement of the co-belligerents of this Government since such peace would affect their interests. Should the German Government desire to transmit peace terms through a duly accredited agent this Government is always ready to receive them, but McNally is not authorized to receive any such message or discuss the matter with anyone.

LANSING

File No. 763.72119/970

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *November 30, 1917, 7 p. m.*
[*Received 7.57 p. m.*]

7846. The daily press of the Kingdom, except a few papers like the London *Daily News* which is almost Socialist and the *Manchester Guardian*, deprecates and severely criticises Lord Lansdowne's letter about peace.[2] Public opinion in Government circles is surprised and shocked. Pacifists and semipacifists and a war-weary minority approve it but I think this minority is very small.

The hope and expectation of victory is, so far as I can judge, as strong as at any time since the war began, because our coming in is regarded as more than an offset to Russia's failure and Italy's misfortune.

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[1] *Ante*, p. 318.
[2] Published in the London *Daily Telegraph*, Nov. 29.

What seems to me to be the best British opinion is that the Lansdowne letter will turn to be a passing sensation here though it is feared that it may have a considerable effect in buoying up war spirit in Germany and in weakening the Allies' cause in neutral countries.

Lord Lansdowne's old friends and associates say that his feeble health and the deep depression caused by loss his son who was killed in action have led him into an ill-considered utterance. His opponents say it is a display of characteristic weakness.

PAGE

File No. 763.72119/967½

The Special Representative (House) to President Wilson

[Telegram]

PARIS, *November 30, 1917.*

I intend to offer this resolution for approval of the Inter-Allied Conference:

The Allies and the United States declare that they are not waging war for the purpose of aggression or indemnity. The sacrifices they are making are in order that militarism shall not continue to cast its shadow over the world and that nations shall have the right to lead their lives in the way that seems to them best for the development of their general welfare.

If you have any objections, please answer immediately. It is of vast importance that this be done, the British have agreed to vote for it.

EDWARD HOUSE

File No. 862.00/225

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *November 30, 1917.*
[*Received December 1, 3.29 a. m.*]

1712. Wolff[1] reports Chancellor's speech before Reichstag of which following is summary:

Count Hertling adverted briefly to his former parliamentary activity and stated that he had followed call of the Emperor from purely patriotic spirit and hoped that he could count on cooperation and confidence of Parliament in same spirit. He then discussed the favorable military situation on all fronts stating that Flanders front

[1] Wolff's Telegraph Bureau.

was firm as a rock and that English and French attacks had been in vain. The great victory in Italy had made it possible to relieve the western front. The English troops operating in Palestine had some initial successes which however were without influence on general situation. Fleet had given new proof of its efficiency in Baltic operations and successful repulse of English Fleet in German bight. The submarine war was proceeding systematically with its irresistible effects. It was the only successful weapon in economic war forced upon Germany by England for it was delivering a heart blow to the most dangerous enemy. The impressment of neutral tonnage would not help enemy, the submarines could always sink more vessels than could possibly be built. The proof was convincing that submarine war would attain the object set before it.

After words of thanks to the Army and to the people at home the Chancellor said that new credits would be asked which he hoped the Reichstag would vote without delay. He said that the war had awakened a greater interest in the institutions of the state and it had been asked whether they stood test of war or whether they should be replaced with new institutions. In this question it was important to make a proper choice and carry out with a firm hand the policy chosen. It was important not to be misguided by phrases or to lavishly imitate foreign institutions but to do what was responsive to the real needs of German public life as well as to the German spirit and the German nature. No changes could be made in the fundamentals of the Constitution which had grown with the German people but the Government would lend a willing ear to any suggestions for changes within the framework of the Constitution. The social policy in which Germany had taken lead in the world would be continued and extended. A bill for chambers of labor would be introduced and certain restrictions of right of association would be removed. The Prussian reform bills were an instance of broad-minded initiative on the part of the Crown in the greatest of the German states. Regarding censorship Chancellor said that while he approved of freedom of speech as long as this did not conflict with interests of country he thought that censorship in Germany was more liberal than in enemy countries. Abuses [which] had been pointed out would be remedied and any just complaints would be considered and he hoped that in time with good will on both sides conditions could be improved. Chancellor then appealed to parties to bury the hatchet stating that the enemy had placed their hopes in an imminent internal collapse although they knew nothing of Germany's internal conditions of parliamentary life or the liberty-loving basis of her associations. The enemy had taken isolated events as symptoms of beginning collapse and it was the duty of the

parties to destroy this legend by cooperating closely with the Government and showing that only one thought prevails in Germany, the thought of patriotic duty, and only one will pervades the whole people, the will to hold out to the end.

Chancellor then addressed himself to the general political situation adverting first to alliance with Austria-Hungary, Bulgaria, and Turkey which had the common object of realization of national ideals, the guaranteeing of territorial possessions and the repulse of enemy attacks. The Chancellor then said that a wireless telegram had been received from Russian Government signed by Trotski and Lenin which was addressed to the belligerents proposing the early opening of negotiations for an armistice and general peace.

I do not hesitate (the Chancellor said) to declare that a basis for opening of negotiations can be seen in proposals of Russian Government so far known, and that I am prepared to open negotiations as soon as Russian Government sends duly authorized representative for purpose. I hope and wish that this endeavor will soon take tangible shape and will bring us peace. We follow the further developments of affairs with sorely tried Russian people with sincere concern. May it soon be granted a return to orderly conditions. We desire nothing more than to return to the old neighborly relations especially in the economic field. As regards the countries of Poland, Lithuania and Courland which were formerly under the sovereignty of the Czar, we consider that the people living in those countries have right to determine their own faith. We expect that they will adopt the system of government best suited to their conditions and culture. For the rest, matters are too nebulous. The reports disseminated in the press recently to the effect that a definite agreement had been reached on one point were premature. Our attitude towards Italy, France and England is a different one. Since we took the ground of the Pope's note of August 1 in our reply to the Pope's proposal, the foolish talk of the necessity of the destruction of German militarism as the menace of peace of the world was deprived of all foundation. On the contrary, it became evident where the militarism fatal to peace must really be sought. Sonnino expressly rejected the idea of general disarmament in his speech of October 26. His reason for this is significant. It is that standing armies cannot be dispensed with in view of internal dangers. Clemenceau goes so far in his cynicism as to exclude Germany and Austria-Hungary from peaceful society of nations where right is to take the place of might. Lloyd George frankly says that destruction of German trade is object of the war and that the war must be continued until this object is achieved. The publication of secret treaties by the Russian Government shows world clearly where lust of conquest, falsely ascribed to us, is really to be found. From first day of war our aim was defence of the Fatherland, the integrity of its territory, the freedom and independence of its economic life. Thus we were able to greet the Pope's peace proposal and the spirit in which our reply to the Pope was conceived is still alive to-day but our enemies must realize that that reply does not constitute a license for the criminal prolongation of

the war. The enemy alone bear the responsibility for the continuation of the terrible slaughter, the devastation of products of civilization which cannot be replaced and will have to bear the consequences. Sonnino in particular must bear this in mind, and the other Italian leaders also by not accepting the Pope's hand of peace are to blame for the terrible catastrophe, and the peoples of Italy and France should take this as a warning. For us there is but one watchword, watch and wait, hold out, and endure. We trust in God, we trust in the Army and its leaders, the very mention of whose names provokes storms of enthusiasm, we trust in our heroic fighters, our heroic colonial troops in East Africa; we trust in the moral strength of our people. If the field and the home armies stand together the victory will be ours. I know that you will help to this end and therefore I ask you once more for your confidence.

GARRETT

File No. 763.72119/967½

President Wilson to the Special Representative (House)

[Telegram]

WASHINGTON, *December 1, 1917.*

The resolution you suggest is entirely in line with my thought and has my approval. You will realize how unfortunate it would be for the conference to discuss peace terms in a spirit antagonistic to my January address to the Senate. Our people and Congress will not fight for any selfish aim on the part of any belligerent, with the possible exception of Alsace-Lorraine, least of all for divisions of territory such as have been contemplated in Asia Minor. I think it will be obvious to all that it would be a fatal mistake to cool the ardour of America. Answering your cable after conferring with Clemenceau,[1] I favour the most effective war council obtainable whether directed by one man or not.

WILSON

File No. 862.00/226

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *December 1, 1917.*
[*Received 6.33 p. m.*]

1718. Following is brief summary of Kühlmann's speech before main committee of Reichstag as reported by Holland News Bureau:

After denying that German financiers took part in alleged financial conference of belligerents in Switzerland, Minister Foreign Affairs discussed conditions in Russia and Italy. He said that statements had been made that Germany observes too great reserve about

[1] *Ante*, p. 318.

her war aims and that this is a well-planned and treacherous manoeuvre by which it is understood that if Germany's proposal to negotiate succeeds she will come forward with unheard-of requirements at the conference table, relying on the belief that the people tired of war would not give their ministers the necessary political support to decline Germany's claims. For this reason [war] must go on until Germany is compelled to make her conditions known separately. If Germany's enemies want to know what she wants then this is extremely simple. Germany is always ready for this and it would be a matter without parallel in history if a great meeting for international matters should have come together without previously having clearly stated by means of confidential conference what are really the opinions on both sides. Germany therefore greets the clearing up of the situation which has entered into the western powers under the influence of Germany's latest great successes. The supporters of war to the bitter end required victory and nothing but victory and from the secret documents which have just been published by the Russian Government [it] is perfectly clear how they think to obtain this victory. He added that it is now sure that the papal note will not be answered by the western powers and that France and England have decided to rely upon force. Thus the German people will now have to answer by force and must persevere until the humane views which are now beginning to break through in the east appear also in the states of the west. In this connection perhaps the letter of Lord Lansdowne may be considered as a hopeful sign that the moderate elements are gaining ground in England.

GARRETT

File No. 763.72/7950

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 1, 1917, 10 p. m.*
[*Received December 2, 11.20 p. m.*]

2837. While stopping in Paris this week, Professor George D. Herron, formerly of Princeton I believe, but a resident of Zürich for the past two years, told me of a visit which he received some weeks ago from Professor Foerster, at one time instructor at the University of Munich. On account of the importance of the message conveyed to Professor Herron and at the risk of possibly repeating in whole or in part both [*what?*] may have been already brought to your attention, I will briefly outline its substance.

Professor Foerster told Mr. Herron that a short time before he had been summoned by the Austrian Emperor, with whom he had a life-long acquaintance, to meet him at Vienna. While there he was the Emperor's guest at the Imperial Palace and was informed by the Emperor that he had been called for the express purpose of

consulting him as to the best means of communicating to the Allied powers, particularly the Greeks [*Great Britain?*] or the United States, the desire of the Austrian Government to break away from Germany. The Emperor stated that he stood ready to reorganize his government in such a way as to approach as near as feasible the principles governing the federation of Switzerland; that among other things he would give to Bohemia home rule and help unite the Jugloslavs into one common power with Servia. He thought that some such action on the part of Austria might be the forerunner of the establishment of a United States of Europe. But how to make effective join [apparent omission] the Allied powers seemed to the Emperor a problem which the Allies must help him to solve.

Professor Foerster, who himself lives at Zürich and is entirely out of sympathy with the Germans, communicated the Emperor's message as above outlined to Professor Herron. What other action he took I do not know.

For a long time past it has been a subject of common rumor that Austria, greatly exhausted by the war and distrusting the ultimate aims of Germany, would be glad to break away from her ally. The story which Professor Foerster tells, and the truth of which I do not doubt, may explain the several visits of Emperor William to Vienna during the past two or three months, and I have no doubt but that, if the truth were known, he has had far more difficulty in holding Austria and perhaps Bulgaria and Turkey in line than the Allies have had in harmonizing some of their differences known to exist. Such a situation also as Professor Foerster has described to Professor Herron would account for the added desire and conclusion of Germany to come quickly to the aid of Austria on the Italian front. Immediately after their successes there I noticed extracts from German papers in the tenor that Austria ought to come at last to realize the strength and friendship of her powerful ally and the debt which she owed her.

What change, if any, in the attitude of the Austrian Emperor may have been brought about by the recent successes in Italy it is hard to tell, but the new Roumanian Minister told me recently that Austria was so fatigued by the struggle that for a considerable time past her soldiers had absolutely refused to enter into any engagement on the eastern front.

Mr. Matsui, my Japanese colleague, said to me to-day that stranger things might happen than that Austria after all agreeing to an armistice with the Maximalists at Petrograd would inform Germany that she would no longer remain in the war.

While I know upon direct authority that the French Government favors the declaration of war upon Austria by the United States, yet

unless, with the movement of enemy forces from the eastern to the western front, Austrian troops should be actually used in fighting our allies on French soil and, later, our own men, I believe that such a declaration would add an unnecessary complication to a situation not yet made very clear and which might place beyond our reach an influence which events may make of great service to us. Not since the early days of the war have any Austrian troops fought on French soil.

During the past ten days the atmosphere in Paris has been surcharged with rumors of threatened sudden and concentrated attacks by augmented German forces on the western front. What crystallized form these rumors may take at any time caused Mr. Cambon to express to me to-day his gravest concern. It is my own belief, however, that the very system of waging war so firmly established on the western front will be proof against compelling any retreat of the Allied forces; besides, their morale is magnificent.

Mr. Venizelos told me yesterday that he regarded an early attack by German and Bulgarian forces upon Saloniki, with the view of pushing down into Greece, as not only possible but probable.

SHARP

Reports of the American Mission to Great Britain and France—The Inter-Allied Conference, November 29–December 3, 1917

File No. 763.72/13416

Report of the Special Representative of the United States Government (House)[1]

The mission was composed of the following:

Edward M. House, Special Representative of the United States Government;[2]
Admiral W. S. Benson, Chief of Operations, United States Navy;
Gen. Tasker H. Bliss, Chief of Staff, United States Army;
Oscar T. Crosby, Assistant Secretary of the Treasury;
Vance C. McCormick, Chairman of the War Trade Board;
Bainbridge Colby, Member of the United States Shipping Board;
Dr. Alonzo E. Taylor, Representative of the United States Food Administration;
Thomas Nelson Perkins, Representative of the War Industries Board;
Gordon Auchincloss, Assistant to the Counselor for the Department of State, Secretary of the Mission.

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[1] This and the following reports, which were submitted to Colonel House, pp. 334–445, comprise the report of the American War Mission to England and France, November, 1917.

[2] In the list sent to the Ambassador in Great Britain in telegram No. 5731, Nov. 5, the words are added: "with honorary rank of Special Ambassador." (File No. 763.72/13326a.)

In addition to the foregoing the following accompanied the mission:

With Edward M. House, Mrs. Edward M. House, Miss Frances B. Denton, confidential secretary to Mr. House, Mr. Clarke A. Cross, stenographer and secretary to Mr. Auchincloss.

Navy Department. Lieut. Commander A. F. Carter, aide to Admiral Benson, T. H. Lathe, Chief Yeoman, U.S.N., stenographer to Admiral Benson, and Mr. C. D. Alviar, attendant to Admiral Benson.

War Department. Maj. W. B. Wallace, aide to General Bliss, and Sergt. Charles J. Steele, orderly to General Bliss.

Treasury Department. Paul D. Cravath, legal adviser to Mr. Crosby, and Louis D. Neumann, clerk and stenographer to Mr. Crosby.

War Trade Board. Milton L. Young, secretary to Mr. McCormick.

United States Shipping Board. Mr. Charles Day, expert engineer, attached to Mr. Colby, and Mr. Everett W. Hawkins, secretary to Mr. Colby.

United States War Industries Board. Mr. W. Randolph Burgess, statistician, and Mr. William Burns, secretary to Mr. Perkins.

Disbursing officer of mission, Mr. Harry R. Young, employed by the Department of State.

In London and Paris representatives of the War and Navy Departments were temporarily attached to the mission as expert advisers and the following were detailed to assist me: Mr. A. H. Frazier, First Secretary of the American Embassy at Paris, detailed by the Department of State during the entire stay of the mission in London and Paris; Ensign Hugh A. Millard, Ensign Samuel S. Walker, detailed by the Navy Department to act as my aides in London and Paris in connection with code work, etc.; and Lieut. LeRoy King, detailed by the War Department to act as my aide in Paris in connection with code work, etc.

Commander L. B. McBride was detailed in London by the Navy Department to assist Mr. Colby of the Shipping Board during the stay of the mission in Europe and to return with the mission to the United States.

A special train leaving Washington at 9.15 p.m., Sunday, October 28, in charge of Mr. J. M. Nye, of the Department of State, brought the mission to Halifax, N.S., arriving there at 9.30 a.m. on Tuesday, October 30.

The following members of the party were immediately taken on board the U.S. cruiser *Huntington*: Col. and Mrs. E. M. House, Miss Frances B. Denton, Mr. Gordon Auchincloss, Mr. Clarke A. Cross, Admiral W. S. Benson, Lieut. Commander A. F. Carter, T. H. Lathe, C. D. Alviar, Gen. Tasker H. Bliss, Maj. W. B. Wallace, Sergt.

Charles J. Steele, Mr. Vance C. McCormick, Mr. Milton L. Young, and Mr. Harry R. Young, and the rest of the party were taken on board the U.S. cruiser *St. Louis*.

The *Huntington* and the *St. Louis*, accompanied by the torpedo boat destroyer *Balch*, steamed out of Halifax harbor at 11.30 a. m. Tuesday, October 30.

The trip across was uneventful and very comfortable. On November 4 the torpedo destroyer *Downes* joined us and on November 6 four additional torpedo boat destroyers, namely, the *Cushing*, *Sampson*, *Wilkes* and *Davis* joined us.

At 4 o'clock in the afternoon of November 7, an English torpedo boat destroyer and an English aeroplane picked us up and piloted us into Plymouth Harbor. We landed at about 6.30 p. m. and were met by the following: Admiral Sir John Jellicoe, First Sea Lord of the British Admiralty, General Colwell of the British General Staff, Mr. Ian Malcolm, representing Mr. Balfour personally and the British Foreign Office, Sir William Wiseman (who during our stay in England was attached to the mission by the British Foreign Office), and Mr. Irwin Laughlin, Counselor of the American Embassy at London. We proceeded at once to London by a special train arriving there at 12 o'clock midnight. At Paddington Station we were met by Mr. Balfour, Ambassador Page and Mr. A. H. Frazier, of the American Embassy at Paris.

With my immediate party I was taken at once to Chesterfield House, the London residence of the Duke and Duchess of Roxburghe, which was placed at my disposal by the British Government during my visit. The rest of the party were the guests of the British Government at Claridge's.

A few days before our arrival the British Prime Minister, Mr. Lloyd George, and Gen. Sir William Robertson, the Chief of the British Staff, left for Italy on account of the violent reverses in that theatre of the war, culminating in the disastrous retreat of the Italian armies to the river Piave. The absence of these two men delayed considerably my work and the work of General Bliss, and it at once became apparent that the Inter-Allied Conference, arranged to be held in Paris on November 15, would have to be postponed.

The day after we landed in England the news from Russia became very definitely worse and reports were received of the counter-revolution which eventually resulted in the control of the Government of Russia being shifted from Kerensky to the Bolsheviks and the followers of Lenin.

On Tuesday, November 13, the French Ministry, headed by M. Painlevé, which had been in power exactly two months, was retired

by an adverse vote in the Chamber of Deputies. On November 15 M. Clemenceau was asked by Poincaré to form a ministry. He accepted the task, becoming Premier himself and Minister of War.

The Italian disaster, the Russian counter-revolution, and the retirement of the French Ministry all taking place within a few days after our arrival in England indicate in some degree the exceedingly critical situation with which we were met. The fall of the French Ministry necessitated a further postponement of the Paris conference to November 29.

During our visit in London, which lasted until the morning of November 22, I conferred with all of the important members of the British Government, including the principal naval and military experts, and also with a number of influential individuals not in the Government, such as newspaper men, labor leaders and former governmental officials.

In order that it might be possible for the mission to do its work in the shortest possible time, I asked you to telegraph our Ambassadors at London and Paris to discourage all public entertainments that might be suggested in honor of the mission, and upon my arrival in England I requested Mr. Balfour to arrange it so that the minimum number of entertainments should be arranged for. Consequently, during the stay of the mission in England it attended only three entertainments and these were all so small that they could hardly be described as public.

On Thursday, November 15, Mr. Balfour entertained informally all the members of the mission except myself at dinner at the Harcourt Room of the House of Commons. The only speeches made were a very short speech of welcome by Mr. Balfour and an equally short speech of thanks by Admiral Benson.

On November 16 the King and Queen entertained the members of the mission at luncheon in Buckingham Palace. The lunch was a very small and unostentatious affair. In addition to the members of the mission and Prince Albert and Princess Mary and the immediate household officials of the Palace, the only guests at this luncheon were Mr. Lloyd George, Mr. Balfour, Ambassador Page, and Sir William Wiseman.

On November 21 the members of the mission, except myself, lunched with the Prime Minister, and the principal members of the British Government, at 10 Downing Street. This lunch was entirely informal and no speeches were made.

In the evening of November 8 I received the newspaper men and issued the following statement:

Our visit at this time is the President's response to an invitation to the United States from the Allied Governments to attend the War

Council which is presently to be held. It was thought that a still better coordination could be brought about if the United States were represented in these deliberations.

We need not tell you of our resources for they are known to you as well as they are to us, but we would like you to know that there is an indomitable spirit back of these resources to use them in every way possible in order to make the world a better place in which to live.

Our people see the issue clearly. Notwithstanding the many races that make up our entity, there is an undivided purpose to fight until it becomes certain that no group of selfish men can again bring about such a disaster.

One hundred and forty-one years ago the makers of our nation laid down the doctrine that governments derive their just powers from the consent of the governed and are instituted among men to give security to life, liberty and the pursuit of happiness. We intend to live and develop under this doctrine which is now at stake, and we feel that our being would not be justified if at this critical hour we failed the other democracies who share with us in this lofty and just conception of the dignity of man.

I attach herewith as indicating the importance attached to the mission's visit by the English press the leading editorial of the London *Times* of November 9.[1]

Previous to Lloyd George's return from Italy on November 13 I had conferred fully with the following individuals: Mr. Balfour and Sir Eric Drummond, of the Foreign Office, Admiral Hall, of the Intelligence Department, M. Klotz, the French Minister of Finance, Sir George Macdonogh, Director of Military Intelligence, Lord Milner, Lord Robert Cecil, Mr. Bonar Law, A. G. Gardiner, of the *Daily News*, Sir Edward Carson, Admiral Jellicoe, Mr. Asquith, Massingham of the *Nation*, Geoffrey Dawson, editor of the London *Times*, Gen. Sir William Robertson, the French Ambassador, M. Paul Cambon, Lord Curzon, Viscount Grey and a host of others, including the members of the mission with whom I was in daily touch. On Sunday, November 11, at 11 o'clock, I conferred with the King at Buckingham Palace and on Monday, November 12, Mrs. House and I lunched at Buckingham Palace with the King and Queen. The only others present were Prince Albert and Princess Mary.

On November 12 Lloyd George at a luncheon given in his honor by the French Minister of War and President of the Council, M. Painlevé, delivered the following address [printed as annex 1 to this document]. This speech caused a sensation in England and certain of the followers of Mr. Asquith believed that the time had come for a concerted attack against Lloyd George, and there was considerable talk heard of a ministerial crisis. Lloyd George him-

[1] Not printed.

self was much upset, and if it had not been for the attitude of President Wilson in support of the principle of unity of control the Lloyd George Ministry would almost surely have fallen. It seemed to me better that the United States should give support to Lloyd George at that critical time and so permit him to maintain his power, even though his plan for a Supreme War Council seemed to me impractical and bound to result in failure. The prospect of an upheaval in the English Government following the Italian defeat, the Russian defalcation, and the French Ministry turnover was not a pleasant one, and I concluded that the best advice I could give the President was to lend Lloyd George such support as would enable him successfully to weather the storm of criticism hanging over him.

The Prime Minister returned to England November 13, and during that day I received from him an autograph letter inviting me to dine with him alone that evening at 10 Downing Street. The subject of our discussion at dinner was of course the Supreme War Council set up by the agreement signed by France, England and Italy at Rapallo. Lloyd George's idea is that the council should be composed of a military and a civil representative from each Government, and he asked for the approval of the United States Government to this plan. I told him that the matter would have to be referred to the President and that I would advise the President to appoint a military representative but not a civil representative. As it turned out later in Paris the "unity," need of which Lloyd George emphasized so strongly in his Paris speech, was to be made impossible by Lloyd George's own attitude.

At dinner the Prime Minister asked me to consent to his making a statement in the House of Commons the next afternoon declaring that the United States approved of the idea of the Supreme War Council and would be represented thereon. I refused most emphatically to permit this until I had ascertained the President's wishes by cable. My purpose, of course, was that any announcement that was to be made with reference to the position of the United States in this matter should be made by myself and not by Lloyd George.

On Sunday, November 18, I received a cable from the President outlining his views with reference to the Supreme War Council,[1] and that evening I issued the following statement to the press:

Colonel House, head of the American mission and special representative of President Wilson in Europe, has received a cable from the President stating emphatically that the Government of the United States considers that unity of plan and control between all

[1] *Ante*, p. 308.

the Allies and the United States is essential in order to achieve a just and permanent peace. The President emphasizes the fact that this unity must be accomplished if the great resources of the United States are to be used to the best advantage, and he requests Colonel House to confer with the heads of the Allied Governments with a view of achieving the closest possible cooperation.

President Wilson has asked Colonel House to attend the first meeting of the Supreme War Council with General Bliss, Chief of Staff of the United States Army, as the military advisor. It is hoped that the meeting will take place in Paris before the end of this month.

It is clear from this statement that the Prime Minister's plan is not specifically approved. The general idea of unity of action and unity of control of resources is approved.

I took care to have the true scope of my statement explained to Geoffrey Dawson, the editor of the *Times*. I quote the first few sentences of the leading editorial of the *Times* for Monday, November 19:

The latest, and incomparably the most important, development of the Allied Council scheme is the statement issued last night by Colonel House on behalf of President Wilson. It is as guarded in tone as it is comprehensive in scope. Manifestly it is not intended to serve any controversy over detail in this country. But it does emphasize unmistakably the central principle for which Mr. Lloyd George is standing at this moment—that "unity of plan and control" which received partial recognition at Rapallo. We say partial recognition because it is clear enough from the President's message, no less than from American press comments, that the work begun at Rapallo is still very far from seeming complete to competent observers. Unity of war aims is first in order of achievement. Unity of strategy depends in turn upon unity of resources and supply. All three call for urgent attention. But the practical point for the moment is that all the specious arguments for "particularism" in strategy, which the Prime Minister denounced in Paris, are scattered to the winds by the detached common sense of our partners in the war.

On Monday afternoon, November 19, Lloyd George in a speech in the House of Commons defended himself with the assistance above referred to, silencing his critics for the time being.

An unpleasant incident in connection with my statement above mentioned occurred on Tuesday, November 20.

The *Daily Mail* published the following, Tuesday morning, November 20:

WASHINGTON, Monday. President Wilson denies that he sent a cablegram to Colonel House stating that the United States considers that a united plan and control between the Allies and the United States is essential to a lasting peace. This denial was issued through Mr. Joseph Tumulty, the President's private secretary.—Wireless Press.

I refused to make any statement in answer to inquiries so as not to be drawn into a controversy. Mr. Bonar Law's secretary called on me at lunch time to ask what the Chancellor of the Exchequer might say in the House of Commons that afternoon with reference to this news item. He stated that notice had been served on Mr. Bonar Law of a question to be asked concerning the representation of the United States on the Supreme War Council. I explained what the situation was; that there was a misunderstanding and that the President's secretary apparently did not know of the cable sent me by the President. I attach herewith the report of the proceedings in the House of Commons on the afternoon of November 20. This statement by Mr. Bonar Law effectively disposed of this rather unpleasant incident.

PRESIDENT WILSON AND THE SUPREME WAR COUNCIL

MR. PRINGLE (Lanarkshire, N.W., L.) asked the Leader of the House whether the Government had received any intimation from the Government of the United States to the effect that President Wilson had asked Colonel House and General Bliss to attend the first meeting of the Supreme War Council which was to take place before the end of the month, and that President Wilson had cabled to Colonel House that the Government of the United States considered that unity of plan and control between all the Allies was essential; whether the official statement to this effect in the press on Monday was issued by the authority of the Government; whether the right honorable gentleman's attention had been called to the message published that morning, in which it was stated that President Wilson denied that he had sent a cable in the terms quoted; and whether in these circumstances the Government could make an authoritative statement on the matter.

THE CHANCELLOR OF THE EXCHEQUER. President Wilson has directed Colonel House to take part not only in the Inter-Allied Conference, but also in the Supreme War Council, and General Bliss is to be his special military adviser.

MR. HOGGE (Edinburgh, E., L.) asked the right honorable gentleman whether President Wilson sent the cable or whether this was another case of a "Kerensky telegram." (Cries of "Oh"!)

THE CHANCELLOR OF THE EXCHEQUER. I hardly think the House will wish me to answer that. (Cheers.) We had the information quite officially.

I quote herewith a letter received by me from Colonel Hankey of the War Cabinet, and my reply thereto:

Offices of the War Cabinet,
2, Whitehall Gardens, S.W.1.

Dear Colonel House:

I am instructed by the Prime Minister to invite you to meet the War Cabinet and certain other members of His Majesty's Government, on Tuesday next, November 20, 1917, at 10 Downing Street,

at 11.30 a.m., when it is hoped to have a full discussion of the question of the co-operation of the United States of America in this war, and the nature of the assistance that they can render to Great Britain and her allies.

The Prime Minister hopes that you will bring with you such other members of your mission whose presence you consider desirable.

I shall be glad if you will kindly furnish me, at your early convenience, with a list of those who will accompany you.

As regards the secretarial arrangements, neither the War Cabinet nor the inter-Allied conferences usually keep stenographic notes, although I always prepare a *précis* of the discussion and circulate it to those concerned, first for remarks, and, when final agreement has been reached, for record. If, however, you would prefer to have a stenographic record, I will certainly arrange for it.

Yours very truly,

(Sgd.) M.P.A. Hankey
Secretary

Colonel Edward M. House,
Special Representative of the President of the United States,
American Mission, "Chesterfield House," Mayfair, W.1.

The following is the reply which was made to the above letter:

Chesterfield House, Mayfair, W. 1.
November 18, 1917.

Dear Sir:

Colonel House has asked me to acknowledge receipt of your letter of the 17th instant, in which the Prime Minister invites him to meet the War Cabinet and certain other members of His Majesty's Government on Tuesday next, November 20, at 10 Downing Street, at 11.30 a. m.

As you have already been advised, Colonel House himself will not attend this meeting.

The members of the mission who will be present are the following:

Admiral W. Shepherd Benson
Gen. T. H. Bliss
Mr. O. T. Crosby
Mr. Vance C. McCormick
Mr. Bainbridge Colby
Dr. A. E. Taylor
Mr. T. N. Perkins
Mr. Paul D. Cravath
and myself as Secretary

Colonel House feels that there is no need so far as he is concerned, for a stenographic record of the conference. I shall take at longhand such matters as may be of interest to Colonel House.

Yours very truly,

(Sgd.) Gordon Auchincloss
Secretary

Lieut. Col. Sir Maurice P. A. Hankey, K.C.B., C.B.,
Secretary of the War Cabinet,
2, Whitehall Gardens, S.W.

My reason for not attending this meeting was that the matters to be discussed were entirely within the jurisdiction of the other members of the mission and were not questions with which I was specifically charged, except in an advisory capacity.

The meeting of the War Cabinet was held at 11.30 a. m. at 10 Downing Street in the room and around the table at which Lord North took the final steps which resulted in the American War of Independence.

The seating of this meeting was as follows:

[Here follows the list.]

I attach hereto a printed report of the proceedings [annex 2].

Between the time of the Prime Minister's return from Italy and the day of my departure from London (November 22), besides frequent conferences with Lloyd George, Lord Reading, Lord Northcliffe and Mr. Balfour, I conferred among others with the following: Scott of the *Manchester Guardian*, Donald of the *Daily Chronicle*, Maxse, editor of the *Fortnightly Review*, Asquith, General Smuts, the French Ambassador, M. Paul Cambon, Lord Bryce, the Belgian Minister, Baron Moncheur, Lord French, Sir William Tyrrell, who is engaged in preparing data for the British Government's case in the peace conference, Sir Maurice Hankey, Secretary of the War Council, Lord Landsdowne, whom I found to be in a peculiarly pacific frame of mind, Strachey, of the *Spectator*, Thomas and Davis, the labor leaders, Sir Eric Geddes, the First Lord of the Admiralty and who in my opinion is the most forceful man in the Cabinet and who explained to me the progress of the Admiralty in coping with the submarine situation. M. Venizelos, the Greek Prime Minister, called on me and explained the Greek situation, and stated that if the Allies did not hold Saloniki he might as well resign as Prime Minister, send for Constantine and let the Germans take Greece. Venizelos impressed me as an interesting and able man. Other individuals of importance with whom I conferred were the following: Colonial Secretary Walter Long, Spender of the *Westminster Gazette*, Hirst of the *Statesman* and Lord Loreburn, Sir Albert Stanley, President of the Board of Trade, Sir Joseph Maclay, the Shipping Controller, and Austin Harrison of the *English Review*, who wished to talk about the Irish question.

I had a further long conference with Admiral Jellicoe. He explained to me the strategy of the war so far as the Navy was concerned, and he expressed the keenest appreciation of the ability and energy of Admiral Benson.

Before leaving England I had a long conference with the Prime Minister and Mr. Balfour at 10 Downing Street. They had been instructed by the War Cabinet to ask my advice on two questions: First, concerning the recognition of Kaledin, the leader of the Cossacks in southern Russia, by advising the Roumanian Government to co-operate with him. I advised strongly against this and stated that if anything was done they should not go further than to advise Roumania to co-operate with whatever fighting forces of Russia were nearest without mentioning any names. Lloyd George and Balfour finally agreed to this procedure. The other question about which my advice was asked was a contemplated statement by England that East Africa should never again return to German rule. I advised strongly against the issuance of such a statement on the ground that the military importance of such a statement would be greatly outweighed by the political embarrassment such a statement would cause.

At the request of the King I called on him again on November 20, at 7 p.m., and conferred with him for a half hour.

During one of my conferences with Lloyd George and Reading I pinned the Prime Minister down to a statement of the British war aims.

What Great Britain wants are the African colonies, both east and west, an independent Arabia under the suzerainty of Great Britain, Palestine to be given to the Zionists under British, or if desired by us, also under American control, an independent Armenia and an internationalization of the Straits.

Other individuals with whom I had conferences before I left England were Lord Robert Cecil, Sir Eric Drummond, the ex-British Ambassador to Austria, Sir Maurice de Bunsen, who now has charge of Mexican affairs for the British Government and who wished to tell me, by Mr. Balfour's direction, that the British Government would follow our lead and recognize Carranza; Josiah Wedgwood and Noel Buxton, Members of Parliament, the Italian Ambassador, the French Ambassador, and a number of others.

Each day during the last ten days of our visit in London the mission met at 10 o'clock in the morning for such interchange of information and ideas as seemed important at the time. I attended most of these meetings and kept in daily touch with the activities of the members of the mission, which are more fully stated in the reports submitted herewith.

On November 21 the British began a surprise offensive with tanks at Cambrai and the first reports of the battle encouraged everyone. As it later turned out the gains made were not all maintained and the operation proved to be a costly one for the English.

At 11.40 on November 22 the mission left London by special train for Dover. At the station to see us off were many members of the British Government including Mr. Balfour and Lord Reading. Ambassador Page and members of his staff were also on hand. Upon our arrival at Dover we immediately went on board the eighteen hundred ton torpedo boat destroyer leader *Termagant*. We crossed the channel to Calais at a 30-knot clip. The sea was calm and the channel had been carefully swept for mines. Some had been found not only on the Dover-Calais route but also many on the Folkestone-Boulogne route, which were said probably to have been placed in anticipation of our crossing. At Calais we were met by newspaper correspondents and some representatives of the French Foreign Office. We were taken aboard a special train, and we arrived at the Gare du Nord, Paris, at 8 p.m., having made the trip from London to Paris in the almost record time of eight hours and twenty minutes. At the station in Paris we were met by a special representative of President Poincaré and by the French Minister of Foreign Affairs, M. Pichon, Ambassadors Sharp and Willard, General Pershing, and many others. We drove immediately to the Hotel de Crillon where we were given a beautiful suite of rooms on the first floor as guests of the French Government. Before retiring I had a conference with General Bliss and General Pershing on the military situation.

At 11 o'clock in the morning of November 23 the entire mission called on Ambassador Sharp and his staff in order that the members of the mission might be placed in touch with their opposite members in the French Government and get down to work at once.

Upon leaving London I gave out the following statement:

I have been impressed by the wonderful machinery you have created here at the heart of your Empire to control your part of the war. You have given the world an example of the efficiency of a democracy which will be of lasting value. The glorious victory on the Somme is the beginning of the realization of this efficiency, and will hearten every lover of democracy throughout the world.

We are also creating in Washington vast new machinery of government to bring our resources to bear, and we shall profit by what we have seen here. We all realize that no human organization is perfect, and I am sure you will not be content with yours any more than we shall be content with ours until the tools we are making have accomplished the great work for which they are being forged.

It is inspiring to feel that our two organizations will work closely and frankly together in the cause of liberty.

We appreciate beyond measure the kindly reception your officials, your press, and your citizens have given us, and we will take back to America a delightful sense of your warm hospitality. Our visit has been a memorable one and I hope profitable to the cause in which we are both enlisted.

Upon my arrival in France I issued the following statement:

We bring to the French Republic a message of encouragement. America's millions are mobilizing in factories, farms, and upon the military fields.

There is a grim determination amongst us to wage war until the world is freed from the shadow and the spectre of the sword. We have in mind no material gain. What we want is an assurance of permanent peace, and the tramp of our soldiers upon the soil of France will be heard ever increasingly until it is achieved.

It is here that brave men come to mingle their blood with yours. It is here that all come to gather inspirations from your heroic deeds.

Our President and our country see the issue clearly, and France may confidently count on every resource which may be at our command.

Between the time of our arrival in Paris and the arrival of the British mission late in the evening of Tuesday, November 27, my time was entirely devoted to frequent conferences with members of the French Government and representative French newspaper men. I also had several conferences with Minister Brand Whitlock and Ambassador Willard, who were in Paris for the special purpose of seeing me.

Ambassador Willard described to me conditions in Spain and told me of conversations he had been having with the Spanish King. He stated that the King is pro-Ally and is convinced that the Germans cannot win. Willard further said that King Alphonso has talked to him from time to time about peace terms. Willard believes that peace proposals will be made by Germany before long. I told Willard to convey to the King of Spain from me the suggestion that peace proposals had better be made to the United States rather than to the British and other Allies, inasmuch as the United States was disinterested as to territorial aims, and that the influence of the United States at the moment was such that it was paramount in any discussion of this sort.

On November 23 I conferred at length with M. Clemenceau and again on the 25th with him and Generals Pétain and Bliss. The principal subject of our conversation was the practicability of the proposed Supreme War Council.

November 23 was principally devoted by me to receiving French newspaper men, American correspondents, and a host of other callers more or less important.

An indication of the favorable treatment accorded the mission by the French press can be had by an examination of the leader of the *Temps* for Saturday, November 24, which I quote:

[Here follows the article referred to, entitled "The House Mission in Paris."]

On Saturday, November 24, the entire mission attended a luncheon given in their honor by the President at the Elysée Palace. This was a brilliant affair and the only public entertainment attended by the mission *en bloc* in France. I give herewith the seating:

[Here follows the list.]

It will be seen from this that the entire French Ministry and a few prominent Frenchmen outside of the Government were present at this luncheon. M. Clemenceau came in after luncheon. He makes it a rule never to attend these functions.

On Sunday, November 25, the entire mission without previous announcement went to Picpus Cemetery in order to lay a wreath upon the grave of Lafayette. The inscription thereon was, "The American War Mission in Grateful Remembrance. November 25, 1917."

During this time I had conferences with M. Moutet, the prominent socialist deputy, M. Hovelaque, Minister of Education; Henri Bergson, Paul Lewis, of the *Temps*; Judge Walter Berry, of the American Chamber of Commerce; Hervé, of *La Victoire;* Gabriel Hanotaux, former Prime Minister; M. Barthou, M. Klotz, Minister of Finance, M. Clémentel, Minister of Commerce, M. Tardieu, M. Chéradame and M. Renaudel; besides frequent conferences with Ambassador Sharp, Generals Pershing and Bliss, Admiral Benson and other members of the mission.

My conference with M. Clemenceau and Generals Pétain and Bliss on Sunday, November 25, considered two subjects; first, the actual military situation, which is dealt with by General Bliss in his report, and second, the organization and functions of the Supreme War Council, proposed at Rapallo. We were in agreement that such a council could do no practical good. I suggested that the civil end of the council should be eliminated and that the council should be military and composed of the commanders in chief of the armies on the western front and the chiefs of staff of these armies, the latter constituting the committee on strategy. General Pétain's objection to this plan was that it did not provide for an executive officer whose duty it would be to execute the will of the council. General Bliss met this objection by suggesting that an executive official might be chosen president of the council and be charged with the duty of carrying into execution the will of the council. This plan met with the approval of all present. The French Prime Minister and General Pétain approving with the distinct understanding that the civil members of the council would be eliminated.

As soon as Lloyd George arrived on Tuesday, November 27, I took up with him the question of modifying the original plan for the Supreme War Council. It took me only five minutes to persuade him that the civil end of the council should be eliminated, and that there

should be a president of the military council who should act as its executive officer.

At the same time I told Lloyd George that I had proposed to the French Prime Minister that he open the Inter-Allied Conference with a speech of only two or three lines and that all set speeches be dispensed with, and that the conference split up at once into committees and get down to work. Lloyd George agreed to this plan, but later both he and Mr. Balfour strongly urged that speeches be permitted. However, the French Prime Minister agreed with me and we carried our point. In passing I may say that when I came to Paris I discovered that no plans whatsoever had been made for the conduct of the proceedings of the Inter-Allied Conference, and that I learned that a number of the delegates had prepared long set speeches which would have precipitated interminable discussion of a dangerous character. I was determined to avoid this and consequently made the suggestions aforementioned to M. Clemenceau and to these suggestions he readily agreed.

A few minutes after I left Lloyd George on Tuesday afternoon he asked me again to come to his apartment, which was directly opposite mine on the same floor of the Hotel de Crillon, and I found him in a very excited state of mind. He had been told, probably by the Secretary of the War Cabinet, Colonel Hankey, that Clemenceau's plan was to have a generalissimo of all the armies, and that this man was to be a Frenchman, and that Clemenceau intended to have the chiefs of staff act as an advisory council. Lloyd George was very angry at this and his attitude was based entirely on the fact that he does not wish General Robertson, the Chief of Staff of the British Army, or Field Marshal Haig to be a part of the Supreme War Council, but he does wish his friend General Wilson to be the British representative. Lloyd George's attitude in this matter bodes ill for the success of the Supreme War Council and the general principle of unity of command.

Lloyd George had arranged to see Clemenceau at 10 o'clock on Wednesday morning, November 28. Lloyd George stated to me that if his plan which he said had been agreed to by the French and the Italians was not carried out he would at once return to England. I made an appointment to see M. Clemenceau at 9.30 in order, if possible, to smooth things over before these two men got together.

On the morning of November 28 I learned that Lloyd George had again twisted and was now in favor of the civil end of the War Council being continued. It is difficult to do business with the British Prime Minister on account of his rapid changes of front.

When I saw Clemenceau at 9.30 he agreed to yield to Lloyd George's wishes in respect to the chiefs of staff, stating however,

that Lloyd George's plan made the War Council thoroughly impractical.

After leaving M. Clemenceau on Wednesday morning, November 28, I went at his request to call on M. Pichon, the Minister of Foreign Affairs, and outlined to him the procedure I had suggested for the conduct of the Inter-Allied Conference, that is, a short introductory speech by the French Prime Minister, to be followed by the appointment of committees dealing with questions of finance, supplies, blockade, shipping and munitions. M. Pichon readily agreed to the procedure suggested.

The rest of the day was spent in conferences with members of the British mission and late in the afternoon I attended a conference at the office of the Minister of Foreign Affairs between the Prime Ministers and Foreign Secretaries of the French, British, and Italian Governments, which conference formally adopted the procedure for the Inter-Allied Conference above referred to.

That afternoon I designated the following individuals to represent the United States on the five committees of the conference: finance, Mr. Crosby and Mr. Cravath; munitions (including aviation), Mr. Perkins, General Williams, Colonel Bolling, Commander Cone, and Mr. Burgess; blockade, Mr. McCormick; supplies, Doctor Taylor; shipping, Mr. Colby, Mr. Day, and Mr. McCormick.

At 10.30 o'clock on the morning of November 29 the Inter-Allied Conference met at the Salon de l'Horloge at the Quai d'Orsay. M. Clemenceau, the French Prime Minister, in opening the conference stated as follows:

GENTLEMEN: In the name of the French Republic the honor falls to me to bid you welcome. In this greatest of all wars it is the sentiment of a supreme solidarity of people which unites us to conquer on the fields of battle the right to a peace which will really be one of humanity. For this reason we are all here; a magnificent gathering of hope, of duty and of resolution in agreement to make sacrifices demanded by an alliance which no intrigue, no weakness can ever shake. It behooves us to translate into acts the high passions which animate us. Our order of the day is work. Let us set to work.

M. Pichon, Minister for Foreign Affairs, then briefly referred to the questions submitted to the examination of the conference and explained that the work of the conference would be grouped under five main subjects to be dealt with by five committees, over each of which the corresponding French Minister would preside. These committees were: (1) finance; (2) armament, including aviation; (3) maritime transportation; (4) food and supplies; (5) blockade.

He then requested the various delegates to select representatives to serve on each of these five committees. After these had been named the conference adjourned at about 11 o'clock. It may be

noted that Liberia and Brazil decided to be represented on all committees by the representatives of the United States.

The conference committees set to work at once and meetings of these committees were held on the 29th and 30th of November, and the 1st, 3d and 4th of December, and on December 5 at 3 o'clock the conference was again called into session to receive the various reports and formally to close. The reports made by these committees are either described in or made a part of the reports made by the individual members of the mission.

At the request of the French Prime Minister I closed the conference with the following statement:

Monsieur Clemenceau, President of the French Council, in welcoming the delegates to this conference declared that we had met to work. His words were prophetic. There has been coordination and unity of purpose which promise great results for the future. It is my deep conviction that by this unity and concentrated effort we shall be able to arrive at the goal which we have set out to reach.

In behalf of my colleagues I want to avail myself of this occasion to thank the officials of the French Government and through them the French people for the warm welcome and great consideration they have shown us. In coming to France we have felt that we were coming to the house of our friends. Ever since our Government was founded there has been a bond of sympathy between us—a sympathy which this war has fanned into a passionate admiration. The history of France is a history of courage and sacrifice, therefore, the great deeds which have illuminated the last three years have come as no surprise to us of America. We knew that when called upon France would rise to splendid achievement and would add lustre to her name.

America salutes France and her heroic sons and feels honored to fight by the side of so gallant a comrade.

The French Prime Minister had not intended to speak himself but, changing his mind at the last minute, spoke extemporaneously as follows:

[Translation]

Since it is my duty to declare this conference closed, allow me to add a few words to those you have just heard. I came here with the formal intention of keeping silence, in order to leave you under the impression of the beautiful words just spoken by my friend, the eminent Colonel House, who so worthily represents the noble American people.

While listening to him, I could not help thinking that there is a lesson to be learned from the historic friendships that to-day unite the French and American peoples in a glorious past; there is as great a lesson in the total elimination of former enmities.

In the past we have been friends of America and enemies of England. French and English have bravely and fairly fought each other on land and sea. The two peoples are acting to-day in complete solidarity and friendship. All peoples are great who struggle

for the same ideal of justice and liberty, and they will succeed in attaining it through sacrifices soon to be splendidly rewarded.

If I may believe the newspapers, a harsh voice has been heard from the other side of the trenches making sport of this conference. There is no matter for sport here. Our enemies, who see nothing beyond brute force, can not understand us.

We are all fighting under the orders of humanity's conscience. We desire the same attainment of right, justice and liberty. And we are assembled to see to it that right, always promised, shall become reality.

Even though, on the other side of the Rhine, they will not grasp the fact, the world awaits our victory. It shall have it. All the peoples represented here are helping each other for the success of the greatest cause. We are striving by force to win the right to peace.

I attach to this report a pamphlet containing the personnel of the conference.[1]

Early in the afternoon on Thursday, November 29, the British Prime Minister asked to see me and proposed that he and I insist that Great Britain be permitted to find out what Austria's peace terms were. I acquiesced and suggested that he bring the matter up at the conference to be held at the Office of the French Minister of Foreign Affairs at 4 o'clock.

Those present at this conference were the French Prime Minister, the French Minister of Foreign Affairs, and his assistant, De Margerie, representing France; the English Prime Minister, the English Minister of Foreign Affairs, and Mr. Addison, representing England; the Italian Premier and the Italian Minister of Foreign Affairs, representing Italy, and myself representing the United States.

Lloyd George started off the discussion with a vehement argument in favor of permitting Great Britain to ascertain Austria's peace terms. This Sonnino resented. Finally, however, the matter was adjusted and the Italian representatives agreed to Lloyd George's proposal.

In the morning of November 30 I had conferences with Lloyd George, Mr. Balfour, the Japanese Ambassador at Paris and the Japanese Ambassador at London, General Pershing, several members of the Polish National Committee at Paris, the Liberian Minister, General Bliss, Admiral Benson, and other members of the mission.

In the afternoon at 4 o'clock I attended another meeting of the Prime Ministers and Foreign Secretaries of Great Britain, France, and Italy at the French Foreign Office. A full account of the discussion at this meeting I attach to this report.[1]

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[1] Not printed.

The principal subject of discussion at this conference referred to what statement should be sent to Russia. I expressed myself in favor of having the Inter-Allied Conference adopt a resolution substantially as follows:

The Allies and the United States declare that they are not waging war for the purpose of aggression or indemnity. The sacrifices they are making are in order that militarism shall not continue to cast its shadow over the world and that nations shall have the right to lead their lives in the way that seems to them best for the development of their general welfare.

Such a resolution as this I thought would have a wholesome effect not only in Russia but all over the world.

Mr. Balfour strongly recommended that the Allies release Russia from her promise to continue the war. Sonnino violently opposed this suggestion. The Russian Ambassador was then brought into the conference, and he was in favor of some such statement as I had drafted. It was decided to request the Russian Ambassador to draw up a memorandum of what action he thought we should take and to consider the same the next day.

The question of a more active participation in the war by the Japanese was left to be handled by M. Pichon without any of us having any hope that he would be successful in stimulating that nation to a more active effort.

At 9.45 a.m., December 1, General Bliss and I started for Versailles (Messrs. Frazier and Auchincloss following in another automobile), to attend the meeting of the Supreme War Council, which was to be held at the Petit Trianon at 11 a.m. Before the council met Lloyd George, Clemenceau, Orlando and I had a conference to outline a program.

I attach herewith as part of this report a record of the proceedings of the Supreme War Council.[1]

General Bliss and I agreed not to take any positive position at this meeting but to listen and get information. We felt that it was not good taste to do more at this time since we have no men on the firing line. When we get our Army over here it will be another story.

Questions of general policy, finance, munitions, etc., of course, we felt at liberty to take part in—perhaps the leading part—but as to military plans other than naval it seems best to be modest and listen for the time being.

A perusal of the minutes of the meeting of the Supreme War Council indicates that the council as organized is ineffective so far as securing the desired efficient unity of control.

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[1] Not printed.

The council adjourned at 1.15, and I at once motored back to Paris.

The Lansdowne letter which appeared in the *Daily Telegraph* on Thursday was uppermost to-day in the mind of the British Prime Minister. Before attending a conference of the Prime Ministers and Foreign Secretaries of Great Britain, France and Italy at the French Foreign Office on the afternoon of December 1, I urged upon Lord Reading and the British Prime Minister the importance of having the Inter-Allied Conference adopt a resolution similar to the one set forth above and my efforts were fruitless.

I attach to this report the minutes of the conference of the Prime Ministers and Foreign Secretaries of Great Britain, France, and Italy, which I attended at the French Foreign Office on the afternoon of December 1.[1] The resolution that I had proposed came up for discussion and the alternative draft resolutions prepared by the Russian Ambassador and Baron Sonnino also were discussed. The proposal of the ultra-conservative Baron Sonnino seemed to meet with the approval of the members of the conference except myself, and I emphatically declined to subscribe to it on behalf of the United States. The refusal of the United States to be a party to this resolution, of course, effectively disposed of it.

Many other matters were brought before the conference but none definitely decided upon. The lack of coordination and decision is the predominant characteristic of all of these conferences.

Before bidding Lloyd George goodbye on Saturday night (for he left for England early Sunday morning) I urged on him the necessity for revising the British censorship rules, telling him that it was ridiculous that the American public should be compelled to submit to a British censorship of its news. He promised that he would straighten out this matter.

Sunday, December 2, was filled with conferences with the following: the Russian Ambassador, Lord Reading, Winston Churchill, General Pershing, Mr. Balfour, Lord Milner, Dr. Alexander Lambert, who had just come from Italy, and a number of newspaper men.

I attended the final meeting of the Prime Ministers and Foreign Secretaries of Great Britain, France and Italy (except Lloyd George) held at the Quai d'Orsay at 11 a. m. on December 3. I attach hereto the records of the proceedings at this meeting.[1]

The final meeting of the Inter-Allied Conference took place at 3 o'clock. The proceedings I have described above.

After the closing of the conference I had a short talk with M. Clemenceau, and he asked me to do what I could to speed up the

[1] Not printed.

instruction of the American troops in France. He told me that he had formed a bureau to deal exclusively with American problems and that he had put M. Jules Cambon at the head of it.

In the evening of December 3 President and Madam Poincaré gave to the members of the Inter-Allied Conference a beautiful dinner at the Elysée Palace. Madam Poincaré made me the guest of honor, which was, of course, a great compliment to the United States, inasmuch as nearly all of diplomatic and military Europe were present. Late that evening I had a final conference with Mr. Balfour with reference to British representation in the United States. It has been decided definitely to send Lord Reading to America within a few months as Ambassador Extraordinary and to bring the present Ambassador home.

December 4 was devoted to a visit by the mission, accompanied by Ambassador, Mrs., and Miss Sharp, Lord Northcliffe, his aide, Colonel Stewart, and Count de Chambrun, to the headquarters of the American Army at Chaumont. The programme for the day was as follows:

Leave Paris 7.55 a.m., December 4; (Gare de l'Est);
Arrive Gondrecourt 12.25 p.m.;
Breakfast and lunch on train;
At Gondrecourt, to see—
(*a*) Bayonet exercise;
(*b*) Rifle instruction, employing targets representing landscape;
(*c*) Hand grenades;
(*d*) Rifle grenades;
(*e*) Trench mortars;
(*f*) "Mopping-up" exercise;
(*g*) Engineer companies;
(*h*) Artillery exercise, with aeroplanes;
(*i*) Automatic rifles;
(*j*) Machine gun barrage;
Leave Gondrecourt by train at 2.25 p. m.;
Arrive Chaumont 4 p.m.;
Visit headquarters A.E.F.;
Leave for Paris by train at 6 p.m.;
Arrive Paris 10 p.m.

On the train I had long satisfactory talks with General Pershing. My last two days in Paris were devoted to a succession of conferences. Among my callers were the Russian attaché and Soldatenkoff; Professor Rappard, of the Swiss commission (the agreement between the War Trade Board and the Swiss Government was completed to-day by Mr. McCormick, and this agreement seems to be in every way satisfactory [1]); M. Hennessy, the French deputy, who was disturbed at the President's reference to "northern France"

[1] Vol. II, p. 1185.

in his address at the opening of Congress; M. Pichon, the Foreign Secretary, was also disturbed at this. I made it clear to both of these gentlemen that the President had no reference either directly or indirectly to Alsace-Lorraine. Lord Milner called to discuss the constitution of the Supreme War Council, and John Bass wished to talk of Russia and Poland. At lunch with the Marquis de Chambrun, I met Messrs. Barrio, Léon Bourgeois, Denys Cochin, Jules Cambon and Colonel Chambrun.

I entertained a number of prominent members of the French Government at lunch on December 6 in honor of M. Pichon, the French Minister of Foreign Affairs.

Long and frank statements made to me by General Pétain, M. Clemenceau, and General Pershing, separately, indicated clearly that there is much work to be done before a complete and sympathetic understanding can be had between General Pershing and the heads of the French Government, civil and military. I have warned General Pershing of the difficulties ahead of him and have suggested to him certain methods of overcoming these difficulties.

Other callers before my departure from Paris were a large delegation from Alsace-Lorraine, the Minister from Porto Rico [*sic*], the Chinese Minister, and many others.

Upon bidding farewell to me the French Prime Minister expressed deep gratification over the results of the visit of the mission and asked me to tell the President that he was now his very warm admirer and hoped the President would only remember his former criticism of him to make his present attitude more complimentary.

The mission, with the exception of Mr. Crosby and Mr. Cravath, who remained in Paris to participate in the work of the Inter-Allied Council, and Doctor Taylor, who went to England on Tuesday, December 4, in order to continue certain rationing negotiations with the representatives of Norway, Denmark, and Holland, left Paris at 10.30 p.m. on the night of December 6. Our destination at that time was not disclosed to any of us by the Navy Department's representatives.

On December 7 at noon we arrived at Brest, having taken a circuitous route from Paris. We were at once taken on board the U.S.S. *Mount Vernon* (formerly the *Kronprinzessin Cecilie*) and at 4.30 p.m., convoyed by the U.S. cruiser *San Diego* and torpedo boat destroyers, we steamed out of Brest Harbor; and after an exceedingly comfortable and uneventful trip we arrived at New York City late in the afternoon of Saturday, December 15.

If this war is to be won, better teamwork between the Allies must be effected. As now conducted there is great loss of energy and resources. Duplication is going on in some directions—in others men and money are being wasted.

The Central powers are not overmatched, because their resources are perfectly mobilized and under single control. The individual German soldier is perhaps not so good as the English, but the German military machine is superior to that of either England or France. The difficulties under which the English and Americans have to fight are a great handicap. Not only have they wide distances from which to gather their forces and maintain them, but these difficulties are enormously enhanced by having to create and maintain a huge army in a foreign land amongst a people with different habits, customs and prejudices.

The diplomatic end of such an undertaking is nearly as great as the military end, and General Pershing is beginning to realize this.

Unless a change for the better comes the Allies cannot win, and Germany may. For six months or more the ground has been steadily slipping away from the Allies. Outside of England and France it is questionable whether the rest of the alliance is a liability or an asset. It would certainly have been better if none of the smaller nations in southeastern Europe had entered the war. Greece and Italy would have been more helpful as neutrals than as allies. They are a drag on both the men and resources of the Entente. England would have come out of the war better if she had fought the Central Empires alone. She would have taken the German colonies and driven her commerce from the seas as she has now done. Germany, under such circumstances, would have been compelled to give naval battle, since there would have been no way to use her Army. In all probability her Navy would have been destroyed. Therefore, England by making the fight alone would have gained rather than lost in prestige, and the cost to her would not have been one-tenth of what she has already expended.

Germany is now declaring that the world is up in arms against her and is unable to defeat her. This keeps up the morale of her people and adds to her prestige among the neutrals. It is a sham, and should be exposed.

The English and French are insistent that our troops should be placed amongst theirs as soon as they come over. The argument is that it would give them better and quicker training, and would also help them withstand the great German drive which they believe is imminent. The drive, I think, will be made, and every possible help should be given them to withstand it, for if it is successful the war on land will have finished. On the other hand, they are asking us to do what the Canadians and Australians have refused to do. If once we merge with them we will probably never emerge. The companies and battalions placed with them will soon be mere fragments. Then, too, if they are placed in such a position they will not get along well with either the English or French and will never get credit for the

sacrifices they make. It can, I think, be taken for granted that this plan would be the most effective immediate help we could give the French and England, but it would be at great cost to us.

We found the morale of the people high in England. The more fortune goes against them the steadier and more determined they are to win. In France the morale was also good. There were no signs of weakening. In England the people are more sober than on my last visit. London is gloomy. There was a lack of bustle that I had never seen before and indications of depression. Every one seems now to realize what this war means, and the blitheness of former years has given way to grim determination. Food, gasoline and other useful commodities are being conserved. In France it is otherwise. Paris is normal in appearance. The streets are lively, the people cheerful, and food, gasoline, etc., are plentiful to wastefulness. Dinners are given in Paris that would be considered a scandal in America, not to mention England. To rebut this I was told that if restrictions were placed upon the French people they would rebel. That the only way they could be kept going at the top notch was to let them have their way in this direction.

However, what discourages one most in the whole situation is the lack of unity of control and of action. There is but little coordination anywhere between the Allies. Jealousies are everywhere rife. None of them at heart like one another, and I doubt whether any of them like us. It is the thought of "hanging together or separately" that keeps them going. Fortunately, a like condition exists in the Central Alliance.

The Supreme War Council as at present constituted is almost a farce. It could be the efficient instrument to win the war. The United States can make it so, and I hope she will exercise her undisputed power to do it.

In conclusion I wish to record my appreciation of the individual work of the members of this mission. Whatever success it has had as a force for good is due to them. In all my experience of men I have never known better and more intelligent teamwork. There has been no confusion of purpose, no slacking in the pursuit of the objects to be obtained, and there has been absolutely no personal differences or friction to retard their work. They have been amenable to both advice and suggestion and have left the impression in England and France of men of great ability and of equally great modesty. They have had to do with their opposites having the rank of Cabinet Ministers, but no one who conferred with them for a moment doubted they were conferring with their equals.

E. M. HOUSE

ON BOARD U.S.S. "MT. VERNON",
December 15, 1917.

[Annex 1]

Speech of the British Prime Minister (Lloyd George) at Paris, November 12, 1917

I must claim your indulgence for taking up the time of so many men who hold great and responsible positions in the state and the legislature at a moment when they can ill spare from the conduct of important affairs time for listening to speeches. My only apology is that I have important practical considerations to submit to you, which affect not merely the future of your own country and of mine, but the destiny of the world. I have one advantage in speaking of this war, in that I am almost the only Minister in any land, on either side, who has been in it from the beginning to this hour. I therefore ought to know something about the course of events and their hidden causes. Of both I want to say something to you to-day.

My friend and comrade, M. Painlevé, has explained to you the important decision taken by the Governments of France, Italy, and Great Britain in setting up a Supreme Council of the Allies whose forces operate in the west to ensure the united direction of their efforts on that front. As he has already explained, that council will consist of the leading Ministers of the Allied countries, advised by some of their most distinguished soldiers, and the choice which has already been made by these countries of their experts proves that the Governments mean this council to be a real power in the co-ordination of their military effort.

Unfortunately, there was no time to consult America and Russia before setting up this council. The Italian disaster and the need of immediate action to repair it rendered it essential that we should make a start with the powers whose forces could be drawn upon for action on the Italian front. But in order to ensure the complete success of this great experiment—an experiment the success of which I believe to be essential to victory for the Allied cause—it is necessary that all our great Allies should be represented in its deliberations, and I look forward with confidence to securing the agreement of those two great countries and to their cooperation in the work of this council.

There are two questions which may be asked with reference to the step which we have taken. Why are we taking it now? That is easy to answer. The second question is more difficult to find a satisfactory answer for—Why did we not take it before?

I propose to answer both. In regard to the first question, the events of the war have demonstrated, even to the most separatist and suspicious mind, the need for greater unity amongst the Allies in their war control. The Allies have on their side—in spite of all

that has happened they still have at their command—all the essential ingredients of victory. They have command of the sea, which has never yet failed to bring victory in the end to the power that can hold out. On land they have the advantage in numbers, in weight of men and material, in economic and financial resources, and beyond and above all in the justice of their cause. In a prolonged war nothing counts as much as a good conscience. This combined superiority ought ere now to have ensured victory for the Allies. At least it ought to have carried them much further along the road to victory than the point which they have yet reached. To the extent that they have failed in achieving their purpose, who and what are responsible?

Let us ruthlessly search out the answer to that question without undue regard to susceptibilities. The fate of the world is at stake and we have no right to think of anything but realities. The fault has not been with the navies or with the armies. We all admire the skill of our naval and military leaders. We are all enthralled with the valour of our sailors and soldiers. The defense of Verdun will be remembered with amazement and with pride until the world grows cold. Yea, and the story of the indomitable tenacity which won the crests of Passchendaele, after months of conflict almost unexampled in its fierce stubborness, will make the mists of my native land ever glow with splendour. And let me say this word for the Italian Army in its hour of discomfiture: No one can look at those frontier mountains without a thrill of respect for the gallantry that once stormed them in face of the entrenched legions of Austria.

Let us also be just to Russia. Russia is suffering from a violent fever, into which she has been driven by conditions of atrocious misgovernment. She is making a great struggle, and through fluctuations she is winning her way to steadier and cleaner health than she has ever yet enjoyed. She now lies stricken through no fault of her own. Let us not forget what she did in the early hours of the war, when her heroic sacrifice helped to save the west, and in France and in Italy, from the cruel dominion of the Prussian. And there are the heroic little nations who have lost their lands. Let us not forget their gallantry, their sacrifice.

No, the fault has not been with the armies. It has been entirely due to the absence of real unity in the war direction of the Allied countries. We have all felt the need for it. We have all talked about it. We have passed endless resolutions resolving it. But it has never yet been achieved. In this important matter we have never passed from rhetoric into reality, from speech into strategy.

In spite of all the resolutions there has been no authority responsible for co-ordinating the conduct of the war on all fronts, and in

the absence of that central authority each country was left to its own devices. We have gone on talking of the eastern front and the western front and the Italian front and the Salonika front and the Egyptian front and the Mesopotamia front, forgetting that there is but one front with many flanks; that with these colossal armies the battlefield is continental.

As my colleagues here know very well, there have been many attempts made to achieve strategic unity. Conferences have been annually held to concert united action for the campaign of the coming year. Great generals came from many lands to Paris with carefully and skillfully prepared plans for their own fronts. In the absence of a genuine inter-Allied council of men responsible as much for one part of the battlefield as for another there was a sensitiveness, a delicacy about even tendering advice, letting alone support for any sector other than that for which the generals were themselves directly responsible. But there had to be an appearance of a strategic whole, so they all sat at the same table and, metaphorically, took thread and needle, sewed these plans together, and produced them to a subsequent civilian conference as one great strategic piece; and it was solemnly proclaimed to the world the following morning that the unity of the Allies was complete.

That unity, in so far as strategy went, was pure make-believe; and make-believe may live through a generation of peace—it cannot survive a week of war. It was a collection of completely independent schemes pieced together. Stitching is not strategy. So it came to pass that when these plans were worked out in the terrible realities of war the stitches came out and disintegration was complete.

I know the answer that is given to an appeal for unity of control. It is that Germany and Austria are acting on interior lines, whereas we are on external lines. That is no answer. That fact simply affords an additional argument for unification of effort in order to overcome the natural advantages possessed by the foe.

You have only to summarize events to realize how many of the failures from which we have suffered are attributable to this one fundamental defect in the Allied war organization. We have won great victories. When I look at the appalling casualty lists I sometimes wish it had not been necessary to win so many. Still, on one important part of the land front we have more than held our own. We have driven the enemy back. On the sea front we have beaten him, in spite of the infamy of the submarine warfare. We have achieved a great deal; I believe we should already have achieved all if in time we had achieved unity.

There is one feature of this war which makes it unique among all the innumerable wars of the past. It is a siege of nations. The Allies are blockading two huge Empires. It would have been well for us if at all times we had thoroughly grasped that fact. In a siege not only must every part of the line of circumvallation be strong enough to resist the strongest attack which the besieged can bring to bear upon it; more than that, the besieging army must be ready to strike at the weakest point of the enemy, wherever that may be. Have we done so? Look at the facts.

The enemy was cut off by the Allied navies from all the rich lands beyond the seas, whence he had been drawing enormous stores of food and material. On the east he was blockaded by Russia, on the west by the armies of France, Britain, and Italy. But the south, the important south, with its gateway to the east, was left to be held by the forces of a small country with half the population of Belgium, its armies exhausted by the struggles of three wars and with two treacherous kings behind, lying in wait for an opportunity to knife it when it was engaged in defending itself against a mightier foe.

What was the result of this inconceivable blunder? What would any man whose mind was devoted to the examination of the whole, not merely to one part of the great battlefield, have expected to happen? Exactly what did happen. While we were hammering with the whole of our might at the impenetrable barrier in the west, the Central powers, feeling confident that we could not break through, threw their weight on that little country, crushed her resistance, opened the gate to the east, and unlocked great stores of corn, cattle, and minerals, yea, unlocked the door of hope—all essential to enable Germany to sustain her struggle.

Without these additional stores Germany might have failed to support her armies at full strength. Hundreds of thousands of splendid fighting material were added to the armies which Germany can control—added to her and lost to us. Turkey, which at that time had nearly exhausted its resources for war, cut off from the only possible sources of supply, was re-equipped and resuscitated, and became once more a formidable military power, whose activities absorbed hundreds of thousands of our best men in order to enable us at all to retain our prestige in the east. By this fatuity this terrible war was given new life.

Why was this incredible blunder perpetrated? The answer is simple. Because it was no one's business in particular to guard the gates of the Balkans.

The one front had not become a reality. France and England were absorbed in other spheres. Italy had her mind on the Carso. Russia

had a 1,000-mile frontier to guard, and, even if she had not, she could not get through to help Serbia, because Rumania was neutral. It is true we sent forces to Salonika to rescue Serbia, but, as usual, they were sent too late. They were sent when the mischief was complete.

Half of those forces sent in time—nay, half the men who fell in the futile attempt to break through on the western front in September of that year—would have saved Serbia, would have saved the Balkans and completed the blockade of Germany.

You may say that is an old story. I wish it were. It is simply the first chapter of a serial which has been running to this hour. Nineteen fifteen was the year of tragedy for Serbia; 1916 was the year of tragedy for Rumania. The story is too fresh in our memories to make it necessary for me to recapitulate events. What am I to say? I have nothing but to say that it was the Serbian story almost without a variation. It is incredible when you think of the consequences to the Allied cause of the Rumanian defeat.

The rich corn and oil fields of Rumania passed to the foe. Germany was enabled to escape through to the harvest of 1917. The siege of the Central powers was once more raised and this horrible war was once more prolonged. This could not have happened if there had been some central authority whose responsibility was to think out the problem of war for the whole battlefield. But once again France and England had the whole of their strength engaged in the bloody assaults of the Somme, Italy was fighting for her life on the Carso, Russia was engaged in the Carpathians, and there was no authority whose concern it was to prepare measures in advance for averting the doom of Rumania.

If you want to appreciate thoroughly how we were waging four wars and not one, I will give you one fact to reflect upon. In 1916 we had the same conference in Paris and the same appearance of preparing one great strategic plan. But when the military power of Russia collapsed in March, what took place? If Europe had been treated as one battlefield you might have thought that when it was clear that a great army which was operating on one flank and [*sic*] could not come up in time, or even come into action at all, there would have been a change in strategy. Not in the least.

Their plans proceeded exactly as if nothing had occurred in Russia. Why? Because their plans were essentially independent of each other and not part of a strategic whole. You will forgive me for talking quite plainly because this is no time for concealing or for glossing over facts. War is preeminently a game where realities count. This is 1917. What has happened? I wish there had even been some variety in the character of the tragedy. But there has

been the same disaster due to the same cause. Russia collapsed. Italy was menaced. The business of Russia is to look after her own front. It is the concern of Italy to look after her own war. "Am I my brother's keeper?" Disastrous! Fatal! The Italian front is just as important to France and Britain as it was to Germany. Germany understood that in time. Unfortunately we did not.

It is no use minimizing the extent of the disaster. If you do, then you will never take adequate steps to repair it. When we advance a kilometre into the enemy's lines, snatch a small shattered village out of his cruel grip, capture a few hundreds of his soldiers, we shout with unfeigned joy. And rightly so, for it is the symbol of our superiority over a boastful foe and a sure guarantee that in the end we can and shall win.

But what if we had advanced 50 kilometres beyond his lines and made 200,000 of his soldiers prisoners and taken 2,500 of his best guns, with enormous quantities of ammunition and stores? What print would we have for our headlines? Have you an idea how long it would take the arsenals of France and Great Britain to manufacture 2,500 guns?

At this moment the extent to which we can prevent this defeat from developing into a catastrophe depends upon the promptitude and completeness with which we break with our past and for the first time realize in action the essential unity of all the Allied fronts. I believe that we have at last learned this great lesson. That is the meaning of this superior council. If I am right in my conjectures then this council will be given real power, the efforts of the Allies will be co-ordinated, and victory will await valour. We shall then live to bless even the Italian disaster, for without it I do not believe it would have been possible to secure real unity. Prejudices and suspicions would have kept us apart. Had we learned this lesson even three months ago what a difference it would have made!

I must read to you a message which appeared in the *Times* three days ago from its Washington correspondent. It is a message of the first importance, for, in the words of an old English saying, "Outsiders see most of the game." And these shrewd men in America, calmly observing the course of events from a distance of thousands of miles, have come to conclusions which we would have done well to make ours years ago:

It is realized here that delicate questions of prestige exist between the great European nations engaged in the war, and that this militates against quick decisions and effective action when these are most needed. It is believed by some of President Wilson's closest advisers that Germany owes much of her success in this war to her unity of control, which permits the full direction of all Teutonic efforts from Berlin. Indeed, it is felt here that unless the Allies

can achieve a degree of co-ordination equal to that which has enabled Germany to score her striking, though perhaps ineffectual successes, she will be able to hold out far longer than otherwise would have been believed possible. American military experts believe that if the Allied help rushed to General Cadorna's assistance to stem the tide of invasion had been thrown into the balance when Italy's forces were within 40 miles of Laibach, the Allies would have been able to force the road to Vienna. Victory at Laibach would have spelled a new Austerlitz, and the magnitude of the prize almost within his grasp is believed here to have justified General Cadorna in taking the risk of advancing his centre too far and temporarily weakening his left flank. The lack of cooperation between France, Great Britain, and Italy is blamed here for the disaster which ensued, and which it is believed would not have occurred if one supreme military authority had directed the combined operations of the Allies with the sole aim of victory without regard to any other considerations.

You may say the American estimate of the possibilities of the Italian front for the Allies is too favourable. Why? It is not for me to express an opinion. I am but a civilian; but I am entitled to point out that the Austrian Army is certainly not better than the Italian. On the contrary, whenever there was a straight fight between the Italians and the Austrians the former invariably won. And the Germans are certainly no better than the British and French troops. When there has been a straight fight between them we have invariably defeated their best and most vaunted regiments. And as for the difficulties of getting there, what we have already accomplished in the course of the last few days is the best answer to that.

But now I will answer the other question: Why was not this said before and why was this not done before? I have said it before, and I have tried to do it before, and so have some of my French colleagues that I see here. For weeks, for months, for years, at committees, at conferences, at consultations, until I almost became weary of the attempt, I have written it where it may be read and will be read when the time comes. I should like to be able to read you the statement submitted to the conference in Rome in January about the perils and possibilities of the Italian front this year, so that you might judge it in the light of subsequent events. I feel confident that nothing could more convincingly demonstrate the opportunities which the Allies have lost through lack of combined thought and action.

We have latterly sought strenuously to improve matters by more frequent conferences and consultations, and there is no doubt that substantial improvement has been effected. As the result of that conference in Rome and the subsequent consultations, arrangements were made which shortened considerably the period within which aid could be given to Italy in the event of her being attacked. And

if the tragedies of Serbia and Rumania are not to be repeated—and I feel assured that they will not, in spite of the very untoward circumstances—it will be because the preparations made as the result of the Rome conference have materially affected the situation. But if there had been real co-ordination of the military efforts of the Allies we should now have been engaged in Italy not in averting disaster from our Allies, but in inflicting disaster upon our enemies. That is why we have come to the conclusion that for the cumbrous and clumsy machinery of conferences there shall be substituted a permanent council whose duty it will be to survey the whole field of military endeavour with a view to determining where and how the resources of the Allies can be most effectually employed. Personally I have made up my mind that, unless some change were effected, I could no longer remain responsible for a war direction doomed to disaster for lack of unity.

The Italian disaster may yet save the alliance, for without it I do not believe that even now we should have set up a real council. National and professional traditions, prestige, and susceptibilities all conspired to render nugatory our best resolutions. There was no one in particular to blame. It was an inherent difficulty in getting so many independent nations, so many independent organizations, to merge all their individual idiosyncrasies and to act together as if they were one people. Now that we have set up this council our business is to see that the unity which it represents is a fact and not a fraud.

It is for this reason that I have spoken to-day with perhaps brutal frankness, at the risk of much misconception here and elsewhere, and perhaps at some risk of giving temporary encouragement to the foe. This council has been set up. It has started its work. But particularism will again reassert itself, because it represents permanent forces deeply entrenched in every political and military organization. And it is only by means of public opinion awakened to real danger that you can keep these narrow instincts and interests, with the narrow vision and outlook which they involve, from reasserting their dominance and once more plunging us into the course of action which produced the tragedies of Serbia and Rumania and has very nearly produced an even deeper tragedy for Italy. The war has been prolonged by sectionalism; it will be shortened by solidarity.

If this effort at achieving solidarity is made a reality, I have no doubt of the issue of the war. The weight of men, material, and moral, with all its meaning, is on our side. I say so, whatever may happen to, or in, Russia. I am not one of those who despair of Russia. A revolutionary Russia can never be anything but a menace to Hohenzollernism. But even if I were in despair of Russia, my faith in the ultimate triumph of the Allied cause would remain un-

shaken. The tried democracies of France, Great Britain, and Italy, with the aid of the mighty democracy of the West, must win in the end. Autocracy may be better for swift striking, but Freedom is the best stayer. We shall win, but I want to win as soon as possible. I want to win with as little sacrifice as possible. I want as many as possible of that splendid young manhood which has helped to win victory to live through to enjoy its fruits.

Unity—not sham unity, but real unity—is the only sure pathway to victory. The magnitude of the sacrifices made by the people of all the Allied countries ought to impel us to suppress all minor appeals in order to attain the common purpose of all this sacrifice. All personal, all sectional, considerations should be relentlessly suppressed. This is one of the greatest hours in the history of mankind. Let us not dishonor greatness with pettiness.

I have just returned from Italy, where I saw your fine troops marching cheerily to face their ancient foes, marching past battlefields where men of their race once upon a time wrought deeds which now constitute part of the romance of this old world—Arcole, Lodi, Marengo. We met the King of Italy on the battlefield of Solferino, and we there again saw French soldiers pass on to defend the freedom which their fathers helped to win with their blood. When I saw them in such environment I thought that France has a greater gift for sacrificing herself for human liberty than any nation in the world. And as I reflected on the sacrifices she had made in this war for the freedom of mankind I had a sob in my heart. You assembled here to-day must be proud that you have been called to be leaders of so great a people at so great an hour. And as one who sincerely loves France, you will forgive me for saying that I know that, in the discharge of your trust, you will in all things seek to be worthy of so glorious a land.

[Annex 2]

Procès-verbal of a Conference of the British War Cabinet and Heads of Government Departments with Certain Members of the Mission from the United States of America, Held at 10 Downing Street, SW., on Tuesday, November 20, 1917, at 11.30 a. m.

Present:

Great Britain	*United States of America*
The Prime Minister	Admiral W. Shepherd Benson, U.S.N., Chief of Operations
The Rt. Hon. the Earl Curzon of Kedleston, K.G., G.C.S.I., G.C.I.E.	Gen. Tasker Howard Bliss, U.S.N. [*U. S. A.*], Chief of Staff
The Rt. Hon. the Viscount Milner, G.C.B., G.C.M.G.	Mr. Oscar Terry Crosby, Assistant Secretary of the Treasury
The Rt. Hon. Sir E. Carson, K.C., M.P.	

The Rt. Hon. A. Bonar Law, M.P.
The Rt. Hon. G. N. Barnes, M.P.
Lieut.-Gen. the Rt. Hon. J. C. Smuts, K.C.
The Rt. Hon. A. J. Balfour, O.M., M.P., Secretary of State for Foreign Affairs
The Rt. Hon. Lord Robert Cecil, K.C., M.P., Minister of Blockade
The Rt. Hon. Sir E. Geddes, G.B.E., K.C.B., M.P., First Lord of the Admiralty
Admiral Sir J. R. Jellicoe, G.C.B., O.M., G.C.V.O., First Sea Lord and Chief of the Naval Staff
The Rt. Hon. the Earl of Derby, K.G., G.C.V.O., C.B., Secretary of State for War
Gen. Sir W. R. Robertson, G.C.B., K.C.V.O., D.S.O., Chief of the Imperial General Staff
The Rt. Hon. W. Long, M.P., Secretary of State for the Colonies
The Rt. Hon. Sir J. P. Maclay, Bart., Shipping Controller
The Rt. Hon. Sir A. Stanley, M.P., President of the Board of Trade
The Rt. Hon. Lord Rhondda
The Rt. Hon. A. Chamberlain, M.P.
Maj. J. L. Baird, C.M.G., D.S.O., M.P., Parliamentary Secretary to the Air Board
Sir L. Worthington Evans, Bart., M.P., Parliamentary Secretary to the Ministry of Munitions
Mr. P. Kerr
The Rt. Hon. the Viscount Reading, G.C.B., K.C.V.O.
The Lord Northcliffe
Sir Charles Gordon, Vice-Chairman to Lord Northcliffe's Mission
Lieut.-Col. Campbell Stuart, Military Secretary to Lord Northcliffe's Mission
Mr. Vance C. McCormick, Chairman of the War Trade Board
Mr. Bainbridge Colby, Representative of the United States Shipping Board
Dr. Alonzo E. Taylor, Representing United States Food Controller
Mr. Thomas Nelson Perkins, Representative of the United States War Industries and Priority Board
Mr. Paul D. Cravath, Legal Adviser to United States Treasury
Mr. Gordon Auchincloss, Assistant Counselor of the State Department and Secretary to the American Mission
Brig. Gen. W. Lassiter

Lieut.-Col. Sir M.P.A. Hankey, K.C.B., Secretary
Col. E. D. Swinton, C.B., D.S.O., Assistant Secretary
Maj. L. Storr, Assistant Secretary

THE PRIME MINISTER. Gentlemen, perhaps you will allow me, on behalf of my colleagues, to welcome you, the representatives of an important American mission, to a meeting with the British War Cabinet. It is a very significant occasion were it not only for the place where the meeting takes place. I do not want to rake up the unpleasant past, a past especially unpleasant for us though not for you. It was in this room, I believe, that Lord North engineered some trouble for America, but a great deal more trouble for himself. It is a great source of delight and satisfaction that, in this very room where we committed a cardinal error, which has ever since been a lesson to us, a lesson which has borne fruit in the British Empire such as it is, that we should have representatives of your great country here to concert common action with us for the liberties of the world. This is purely a business gathering. You have come over to this country to do business, and I have heard from enquiries I have made from various departments how hard you have been working during the few days you have been here to transact your business with the various departments with which you are concerned.

You will permit me just to give a general sketch of where I think your great country could render most effective service, especially in the immediate future, to the cause to which it has committed itself. We have been three and a half years in this war; we had a great navy; we had a small army; and we were treading unaccustomed paths. We have made mistakes, as we were bound to make, because it was an unexplored country. That gives us an advantage in any conversation we may have with you who are just beginning now, as we were three and a half years ago. In fact, the conditions under which you are beginning are more like our own than those of any other Allied country. Others of our Allies had great armies. We had a small army, and we had to create out of nothing the very great army we have got at the present moment. Had we known as much then as we know now, it would have saved a great deal of time. Therefore, you have got the benefit of our experience, because you have witnessed the mistakes we have made.

I am sure you will forgive me if, from the point of view of one of the Ministers of this country who has been in office for three and a half years, I were to give you my views as to the best help which America can render, and give it more or less in the order of urgency. It is rather difficult to do this. All the things which are wanted for the efficient conduct of the campaign are urgent, because, naturally, the sooner you are ready, the sooner it will be over. But

there are one or two things which are more urgent than others. After a good deal of consultation with my colleagues and our military and naval advisers, I should put man-power and shipping as the two first demands on your consideration. I am not quite sure which I will put first. I am not sure that you can put either of them before the other, because they are both of the most urgent importance; but if you will permit me, I should like to say a few words upon each.

Take first of all the question of sending men over into the battle line as soon as you can possibly train them and equip them. I will give you the reason why that is extremely urgent, and I do so after consultation with the Chief of the Imperial General Staff (Sir William Robertson), who supplied me with the necessary information. I need hardly tell you that this is a very confidential gathering, and, therefore, I am able to speak more freely than I would if I were present at a public gathering. The collapse of Russia and of Italy has changed the situation. There is in addition to that the failure in the man-power of France, which I will come to later. That is second. The two dominant factors are the collapse of these two great countries. I have not got the exact figures at the moment by me, but I have no doubt the Chief of the Imperial General Staff will supply them—the figures of the number of divisions held by Russia on the eastern front. I understand from the Chief of the Imperial General Staff that there are over 80 German divisions alone, equal to 1,800,000 men, on the eastern front. In addition the Russians are holding a very considerable number of Austrians as well. But you have chaos in Russia. The Russian military power has disappeared, and I do not know whether there is now anything to prevent the Germans going right through, except the fact that Russia is a difficult country to march into, and it is a bad time of the year. The Russians are much more concerned with their own troubles than with facing the foe, and with regard to one section of them, at all events, I am not at all sure that they are not better disposed to the Germans than they are to the Allies. In fact, there is much ground for suspicion that some of the leaders are more or less in the pay of Germans. That means that, at the moment, if Germany were either pressed on the west, or if Germany chose to exercise pressure on the west, either in Italy or in France, she could take certainly 30 or 40 of her best divisions and hurl them on the west without any detriment to her position in the east. That is the position in Russia.

The position in Italy is not as bad. The nation is fairly united there, but the Italian Army has lost pretty nearly half its equipment, certainly in guns. It has lost between 200,000 and 300,000 men, and it cannot stand up to the foe without very substantial assistance from

France and England, and both these countries at the present moment are engaged in pouring into Italy as rapidly as the railways will carry them, some of the very best divisions from France and from Flanders. They have to do that, otherwise the whole of the Italian power will collapse and Italy might be ruled out of the war. The bearing of that you will see for yourselves. Then France herself is very largely exhausted. There will be a considerably fewer number of divisions next year than there are this year, and if you were to work the sum out it might work out something like this: that the Germans may be able to put 600,000 more men on to the French and Flanders front next year and we might have 600,000 fewer men. There is a superiority at the present moment on the western front. Should that change take place, you might not merely wipe out that superiority, but you might have a distinct inferiority in the number of Allied troops confronting the Germans in the west. That shows that it is a matter of the most urgent and immediate importance that you should send to Europe next year, and as early next year as possible, as many men as you can spare, to enable us to withstand any possible German attack, apart altogether from the possibility of inflicting any defeat upon them. It is better that I should put the facts quite frankly to you, because there is a danger that you might think you can work up your army at leisure, and that it does not matter whether your troops are there in 1918 or 1919. But I want you to understand that it might make the most vital difference. So much for the question of man-power. You can see why I am putting that almost in the forefront.

The next point is shipping. It is obvious that it is no use having men and guns and equipment unless there are ships to carry these men and their supplies across the ocean. Our position next year will be that certainly we cannot spare a single ton to assist you in transport, and I will tell you the reason why. Not only shall we be unable to assist you in transport, but Italy and France will be crying out for more help, and you and ourselves, somehow or other, will have to do our best to try and help them. I tried to get the figures this morning. The Shipping Controller is here, and he will tell me if this figure is correct. Sixty per cent of our shipping is engaged on war service, on purely war service, for ourselves and our Allies. In order to show the extent to which we are helping the Allies, 2,600,000 tons of our shipping is devoted exclusively to helping the Allies—France, Russia, and Italy—more especially France, and half the time of 2,300,000 tons of shipping as well. Now, we are a country more dependent on imports than probably any other great country in the world. It is a very small country—as you have probably observed in crossing—a very small country, and a very thickly populated country.

We only grow about one-fifth of the wheat we consume. We are dependent on what we get from overseas for the rest. I am not sure if we cultivated every yard here that we could be self-supporting. We might. The climate is an uncertain one, and if you had a very good harvest you might; on the other hand, you might not get a good harvest. Taking the barest essentials not merely of life, but of war, we have also to import a good deal of our ore and other essential commodities. Further, our exports have almost vanished, except war exports. I should like our American friends to realise this, that the trade of this country is largely an international trade. We manufactured for the world, and we carried especially for the world, and we did a good deal of financing for the world; that is practically gone. We have stripped to the waist for war. Such exports as there are we have only kept alive, because they are essential in order to enable us to finance certain essential imports in certain parts of the world. Our trade, you might almost say, has completely gone except in so far as it is essential to war. We were very dependent upon our shipping, not for bringing goods here, but because it was part of our business. The business of the big shipowners was part of the business of this country, and we carried for ourselves and we carried for other lands. There were ships of ours which never came home to this country. We were a people who lent ships and traded in ships. Now the Shipping Controller has brought them home from every part of the world. Why? We have been getting rid of our business, because we want it for war and to help not merely ourselves, but to help our Allies. I am not sure it is sufficiently realised outside—the extent to which we have put our trade, as it were, into the war. We have risked it all on this great venture.

As for imports, our imports the year before the war were 54,000,000 tons. This year they will be 34,000,000 tons. Next year we must bring them down to 26,000,000 tons; that is, our imports will be about half what they were the year before the war. But what will these imports be? They will only be imports essential for food, for clothing, and for the munitions of war. We are cutting down everything else. Luxury has gone, as far as imports are concerned, and next year we shall probably find it necessary to cut down even our food imports by 2,500,000 tons, and I am afraid we shall probably have to cut down our munition imports by 1,500,000 tons, because, though we are getting the submarine under and are doing our best to build as hard as we can, still the losses up to the present have greatly exceeded the gains. The losses of our Allies have been very heavy also, and neutral shipping, upon which we were dependent to a considerable extent, has suffered severely—has suffered more severely in proportion to the number of ships put to sea, because they are not

in our system of defence, and therefore they are just like sheep for the slaughter. They are there without any protection at all. The result is we shall have to cut down what this year we thought was a minimum, by several millions, and we are prepared to do it. We shall have to ration, not so much for ourselves, but because the French production of food is down to 40 per cent of what it was before the war, for the simple reason that the peasants who cultivated the soil are now shouldering the rifle instead of following the plough. They are defending their land, and the land is meanwhile getting weedy because the men are not there. The women are doing their best in France, the old women and the children are working, but the soil is getting impoverished, and therefore we have got to pool our luck. We could have got through with stricter rationing ourselves, but we cannot do it, because we have to divert our wheat in order to save the French and save the Italians—to save the Italians from actual privation.

I met the correspondent of the *Times* in Paris the other day, and he said to me: "I have just been through parts of France. I went to a village where they had had no bread for days." If that had happened here, Lord Rhondda's head would have been put on a charger, and probably mine with it too. The only remark that this correspondent had heard was: "Well, we are very patient people." As M. Clemenceau remarked to me, that is the reason why we have revolutions in France, which is a very shrewd observation. They are very patient people really, in spite of their occasional outbursts. They are holding on with great fortitude, and there is not a single thought of giving in. The government that proposed to give in would not last twenty-four hours. In spite of the gigantic losses they have sustained, and of the privations they are facing, France is as resolute and determined as she ever was. We feel it an honour to pool our luck with her, and we have agreed to do it.

Now what does all this involve in the way of shipping? It means that we should do as much as we can in the way of shipbuilding, and it means that you have to do more. You are an infinitely bigger industrial country than we are, and what the United States can do when she really takes anything in hand, is something which will, I think, astonish the world, and we should very much like it if your great country can add next year 6,000,000 tons to the shipping of the world. And taking your resources into account, the readiness with which you adapt yourselves to new conditions, your great gift of organisation, and your unlimited production of steel, I should have thought that that was something which you could achieve.

Under this head the other thing we would press you for is that you should supply us, if you can, with 2,000 tons a month of steel

plates, and if you could also help Canada with steel plates and also help to finance her shipbuilding. Then she could contribute very materially to the output of shipping.

To summarise what I have said as to the most important spheres in which the United States can help in the war. The first is that you should help France and her Allies in the battle line with as many men as you can possibly train and equip at the earliest possible moment, so as to be able to sustain the brunt of any German attack in the course of the next year; and the next point is that you should assist to make up the deficit in the shipbuilding tonnage of the year by extending your yards and increasing shipbuilding at an unexampled rate.

Just one word about the Navy. May I here say how much we are indebted to the United States Navy for the prompt assistance which it rendered earlier this year in helping to combat the submarine menace, and the success which has been achieved in dealing with that menace is attributable in no small measure to the most effective assistance which the Navy of the United States rendered at a critical juncture. I want to tell you how invaluable your torpedo-boat destroyers and other craft have been, not merely in protecting ships, but in helping to keep this menace under. I understand that you are building on a very great scale. I have no doubt at all that Admiral Jellicoe has already given to Admiral Benson his views as to the priority, and as to the relative urgency of the various craft which he is very anxious the United States of America should bring to the common stock—destroyers or craft for submarine work, mines and minelayers, and so on, down to light cruisers.

There are only one or two other points which I should like to mention. One is on the subject of aeroplanes. Anybody who has watched the war from the commencement of this campaign must realise how vital the command of the air is to us. In the battle line it is as essential as the command of the sea. If we lose the command of the air our artillery becomes ineffective, and although I do not mean to say that we should not hold our own—we should hold our own to a very considerable extent—anything in the nature of progress, of beating the enemy and driving him back, would be absolutely impossible, and therefore the command of the air is essential to victory. We have managed to more than hold our own, but with great difficulty. The manufacturing resources of France, and of England, and of Italy have been strained to the very utmost. Germany is undoubtedly, according to our information, making the most prodigious effort. Their airmen are becoming more enterprising, and it looks as if they were making a real effort to wrest the command of the air out of the hands of the

Allies, because they understand how very important it is in this struggle. You have undoubted advantages in the creation of a great air fleet. One is your great manufacturing resources. I understand that you have invented a very efficient machine. Not merely have you got very great advantages in your manufacturing resources, but I think you have very great qualifications in the equipping of your machines. Your people have got more, I think, than the usual share of enterprise and of daring, which are essential qualities in a successful airman. I should have thought that an American naturally would make a first-class fighter in the air, because of those qualities of enterprise and dash and daring which are associated with your race, and which you have displayed on so many battlefields both in peace and in war. The other point is that your climate lends itself more to an air service than ours. There are not so many days in the year that we can go up here. Ours is a much more uncertain climate. You have all sorts and varieties of climates: where the climate is bad in the North, it may be good in the South and the East and the West. You have a greater choice in that respect for your training grounds. We are depending very largely upon what you are going to do with regard to aviation. In this respect very great hopes have been aroused, in all the Allied countries, and I would very respectfully urge that you should turn out the maximum output of aeroplanes which your ships can carry, consistent with transporting the largest possible number of men for the Army, which is first in urgency because with the aviators of France, and of England, and of Italy, and of America we shall then gain the command of the air. I do not believe Germany can ever recover if once she loses the command of the air. There is nothing which will more assuredly seal her fate than that.

The next point is guns. I need hardly dwell upon the importance of equipping your Army with guns. Those of you who have been watching the campaign, notably in Flanders, will realise that guns are essential to any progress. We require an overwhelming mass of artillery, which is the only means by which your men can advance without the most hopeless slaughter. The more guns the fewer casualties, because they destroy the protection which the Germans have set up for their machine-gun men.

May I just say one word about food for the Allies? We are depending very largely on your great country for keeping the populations of these Allied countries in Europe alive. Our grain fields one by one have disappeared. Russia, as a grain field, does not exist, because you cannot get the grain away. Most of her grain has to leave through the Black Sea, but that is now closed. We were very dependent on Russia, especially in the summer season. Austra-

lia, although she has plenty of grain, it is not available, because of the enormous distance which we have got to send our ships, and we cannot afford to do that. Therefore, we are very dependent upon the United States of America and Canada, both in France and in this country. India is available, to a certain extent, for the feeding of Italy, but not altogether.

We owe you very considerable gratitude already for the help you have given us in financing the war, and for the very effective assistance you have rendered with regard to the blockade—a most important part. But I have no doubt you can render us very much more assistance in the future. Anything in the nature of economic war against Germany is impossible without the active cooperation of the United States of America. With the help of the United States of America, I think we can make it an effective instrument for the destruction of the power of this combination which has organised its resources against the liberties of the world.

I thank you very much for listening to what I have to say. I thank you still more for the effective assistance which you are rendering; for the eagerness and the earnestness with which you are throwing yourself into this great task; and I have no doubt that the United States of America, France, Italy, and ourselves, and I hope eventually, Russia—the great democracies—marching shoulder to shoulder will be able to achieve their goal—the liberty of the world. I thank you very much.

Admiral Benson. I wish to thank you for the warm reception that we have received, and for the very generous attention which has been paid to us since we have been here. We appreciate fully the opportunity given us to meet this powerful body in this historic room. Whatever may be the historical deeds to which you have referred, I am sure that we are all agreed that their execution was bread cast upon the waters, as we are now come, with all the strength and vigour of the young and matured manhood, and with the experience reaped from the development of our own great country, we come to you with a strong feeling and desire to do all that is possible for the freedom of the world so that everyone may exercise the right of life, liberty, and the pursuit of happiness. We particularly appreciate the necessity for the freedom of the seas. In order that the various countries of the world may carry on their trade and may be of real assistance to each other, there must be free communication, and that communication can only be carried on through the freedom of the seas.

Our mission represents various departments of our Government, and during our stay here we have each taken up, with representa-

tives of your Government, the subject that he has in hand, and we have all received the most careful consideration and attention. Everything has been thrown open to us to give us a true and correct idea of the situation as it exists, and as far as possible you have given us the result of your experiences gained during the past three and one-half years. We have also, at home, followed as closely as possible the events as they have occurred during the progress of the war, and I believe a great many of us have felt that, sooner or later, we would come into it, and we have tried, as far as circumstances would permit, to anticipate and be prepared for it. Of course, we are unprepared in many forms of equipment. But the time has come when we feel that we must get closer together, and we must follow a definite line.

I think that most members of the mission have possibly as much as they can get in the way of information, and now we feel that if we can get a definite plan for the future, and the methods in which these plans will be executed, I can assure you that our country is heart and soul in this war. None of our resources will be spared, our men, or our ships. Our country is absolutely united behind the President in this cause. I think I am justified in saying there is no exception anywhere. All sections of our country are absolutely united, not only united, but willing and glad to throw all of our resources into the struggle, and all that they want to know is: What is to be done? and feel assured that the plans that are being adopted are the best for the object to be attained. With that idea in view we are utilising our resources as far as we can. We are building ships as fast as our resources will permit. We are, of course, giving priority in our shipbuilding to the construction of destroyers, and we hope, within the next eighteen months, to have at least 267 of these vessels to add to the fleet. We are building 103 submarines, and hope to increase that number when the facilities will permit. Next in importance to the building of destroyers we are giving everything up to the construction of ships for the purpose of carrying cargo. We have practically given up the construction of capital ships, except those which are already under construction.

We are making now in our country what we believe to be the necessary sacrifices or restrictions in regard to food in order that we may have a larger quantity to be shipped abroad to the various Allies. I think it would be hard for you to realise, bearing in mind the great distance from the real scene of action, and without the actual experience, the willingness, and the completeness of the sacrifices that the American people are making for the common cause.

In regard to aircraft, the promise of results in that line is very great, and we hope in January to be turning them out by hun-

dreds per month, and by May or June by the thousand. We have developed an aircraft motor which experiments show to be even better than we anticipated. The reports received since we have been in London from the other side indicate that not only the shop experiments, but the trials with the motor in the air, surpass anything we anticipated. It is the "Liberty" motor. We are, of course, utilising all the suitable mechanical plants and industries of our country for this purpose, and we hope that by May or June we will be turning out several thousand aircraft per month.

With regard to guns and other equipment, we are, of course, building them in large quantities, especially the small type of guns, 4-inch and 5-inch for mounting on ships, in particular the large-size destroyers, which are good, seaworthy vessels, and have a speed of 35 knots. I have received a message this morning that one of these vessels will be dispatched within a few days to this side. The trials have been most satisfactory in every way.

We are handicapped to a great extent by the lack of forgings, but that situation will be greatly improved later on. In order to increase our output in all the various requirements for this war, the United States Government has expended immense sums of money in duplicating or increasing very largely all the various kinds of plants. Millions of dollars have been spent in building up shops and foundries, and where the private companies were not able to meet the situation the Government has come to the rescue in order that all our material and all our mechanics might be utilised to the utmost in producing what was required. Nothing has been left undone to put into proper shape all our resources, and I think there can be no question in regard to that. I would like you to feel, and I would like to impress upon you as earnestly as I can, the sincere and earnest feeling there is in our country, and the unanimity and the firm resolution, to hold on until the very last. I appreciate the great honour I have of addressing this body, and of meeting in this room. I thank you for the cordiality of our reception.

Lord Derby, in reference to Admiral Benson's statement, in which he referred to the fact that 4,300 aeroplanes per month would be produced by June, 1918, enquired if pilots would also be trained for that number of machines.

Admiral Benson stated that this was so, and explained that several training camps were under construction, which would enable the output of trained airmen to be still further increased. He instanced that upwards of 2,000 aviators were being trained in France, where 10 stations were being established, while 5 were being installed in the United Kingdom.

LORD CURZON enquired if the figure of 4,300 implied complete machines with engines and all fittings.

ADMIRAL BENSON stated that this was so.

MR. BARNES asked Admiral Benson if the figures in regard to carrying ships were promising.

ADMIRAL BENSON said that it was quite recognised that the principal factor in the whole of American cooperation was that of shipping, and that without ships it was impossible for men or material to be transported from the United States. For details he referred to Mr. Colby, who had full information on the subject.

MR. COLBY asked if information was required as to tonnage actually under construction.

MR. BARNES explained that, what he wanted to know was, what amount of tonnage would be available for the common pool, say, in two months', three months', and four months' time.

MR. COLBY stated that according to the most recent estimate he had received, by May, 1918, the output of ships per month would be 300,000 tons gross, while by the 31st December, 1918, the total amount of shipping completed would amount to 4,600,000 tons dead-weight. By May, 1919, this total would rise to 6,104,000 tons dead-weight.

MR. BARNES said that, as regards the more immediate problem to be faced, he would like to know the figures for the month of May, 1918.

MR. COLBY, in reply, stated that by the 1st March, 1918, there would be launched 754,000 tons dead-weight (equivalent approximately to 500,000 tons gross). To express the future in terms of vessels, the following was the estimate of output:

	Vessels
November 1917	14
December "	27
January 1918	33
February "	36
March "	39
April "	55
May "	69
June "	99
July "	116

He agreed with Admiral Benson that the main problem was how to cope with the shortage of tonnage, both for individual, national and joint needs, and it was a mere truism to say that every need or necessity finally could be reduced to the question of tonnage. It was impossible to send over steel for construction, men to fight, or grain to feed the men, without shipping. He pointed out that the tonnage at the disposal of the United States Army at the moment amounted to 850,000 tons, whilst that at the disposal of the United States Navy was 150,000.

Mr. Balfour asked how many men the United States Government would be able to put in the field of operations in France.

Mr. Colby replied that by the 15th January, 1918, there would have been conveyed to France one Army corps, in addition to the United States troops already in that country, but that this Army corps would not be completely equipped and would not have all its transport animals. According to his estimate, the tonnage available would enable the United States to maintain 220,000 men in France.

Mr. Bonar Law enquired to what extent shipping had been taken away from the ordinary trade of the United States.

Mr. Colby replied that as much tonnage had been diverted from the trade of the country as had been the case in Great Britain, in fact, as much as it had been possible to divert. Of course, some trades were essentially war trades, which could not well be cut down, such as the import of nitrate, which was used for explosives, and the export of certain commodities for the maintenance of credit essential to the purchase of war necessities; but with the exception of maintaining such war trades the United States Government was making absolutely no effort to keep up the general trade of the country. Mr. Colby instanced the fact that the United States had relinquished a great portion of their Pacific trade to the Japanese, and had indeed transferred a steamship line, which ran to Hawaii, to the Atlantic. There were only two sources from which tonnage could be drawn at the present time—

(*a*) That belonging to neutrals;
(*b*) Enemy tonnage interned in South America.

The only other method of obtaining ships was to build them. From the information he had received from the departments in this country, he gathered that the British were constructing from 125,000 to 150,000 gross tons per month, whilst in the United States they expected to attain a total of 300,000 gross tons per month. Combined, the two countries would eventually produce 475,000 gross tons per month. This did not seem to be in excess of the destruction being effected by submarines, and he felt that for some time at least, the action of enemy submarines must reduce the amount of tonnage available.

Lord Milner drew attention to the fact that the estimate of future losses by submarines was excessive, and in calculations recently made by a committee, of which he was chairman, the average of the figures for September and October had been taken as holding good for the future, giving an average for British losses of 225,000 gross tons per month.

Mr. Colby said that, in regard to the subject of the employment of neutral tonnage, there seemed to be some lack of perception between

the authorities at Washington and the Ministry of Shipping in London. In mentioning this he did not wish it to be thought that there was on his part any suggestion of disapproval or criticism of the action of the Minister of Shipping, from whom he had received the greatest friendliness and the maximum of information on all points, but he considered that there was a lack of mutual understanding as to the proper handling of the problem, which might be remedied with great advantage. In the United States they were holding a number of neutral ships belonging to Norway, Holland, and Denmark, and the High Commissioners for those countries in the United States were busy negotiating in reference to the release of these ships and the relaxation of the Allies' embargo. At the same time the British Government had concluded separate arrangements with the Governments of Norway, Holland, and Denmark. The result was that there was some misunderstanding between the United States and British Governments, which was the cause of great delay in obtaining the use of this neutral shipping, which, at the present juncture, was a vital matter. Mr. Colby instanced that there were 400,000 tons of Dutch shipping alone, which had been lying idle in New York Harbour since July. He suggested, as a practical measure whereby the Allies might at once make use of this tonnage, that a pool for all neutral ships should be formed, from which the British and United States Governments should each take 50 per cent. Having agreed upon this decision, the two Governments could afterwards discuss the actual employment of the tonnage so placed at their disposal.

Lord Reading enquired what amount of neutral tonnage was being employed by the United States Government, apart from the ships which were lying idle in American ports.

Mr. Colby explained that there was a certain amount, but the charters of these vessels would shortly expire.

Mr. Balfour reminded the conference that the subject of imports touched upon that of blockade, and suggested that Lord Robert Cecil should give his opinion on the subject.

Lord Robert Cecil said that he was in agreement generally with the views set forth by Mr. Colby, but he went further, and thought that a partial solution of the shipping problem was that the whole of the tonnage available to the Allies should be employed in common. As regards Norway, Mr. Colby's statement was correct. As to the agreement with Holland and Denmark, that touched upon a very small part of the whole subject. In regard to the greater part, he hoped that the United States Government would assist the British Government by requisitioning the Dutch tonnage in United States harbours. He considered that the tonnage situation at present was

vital, and the question of the provision of ships to carry on during the next two or three months governed everything. He much regretted that there should have been any misunderstanding, but agreed that there was some suspicion on both sides that each country was inclined to look to its own future instead of the future of the alliance. He submitted that there was only one way in which the matter could be dealt with satisfactorily, and that was the whole tonnage of the world should be pooled and all devoted to the essential purposes of the war.

THE PRIME MINISTER asked if Lord Robert Cecil meant all shipping.

LORD ROBERT CECIL replied that he did, and that there should be international cooperation of the nature alluded to by the Prime Minister in his speech of the previous day in regard to the military sphere of operations. He considered that whole-hearted cooperation was even more important economically than it was militarily.

MR. BALFOUR asked if there was not some slight contradiction in terms between what were known as the blockade and tonnage policies.

LORD ROBERT CECIL agreed that there was. He said that the question was one of vital importance from the blockade point of view, since it was necessary to put pressure upon neutrals to prevent them sending supplies to Germany. If the power in the possession of the United States was employed to get tonnage from neutrals and nothing else, the chance of using that weapon to make the blockade more effective would disappear. He did not regard the importation of food into Germany as being so serious as the import of minerals, which, from Norway and Sweden, was of great assistance to the Central powers. He did not think that the power to reduce these imports should be sacrificed to obtain tonnage merely without further trade restrictions.

SIR JOSEPH MACLAY gave his opinion that there was really no serious disagreement in regard to tonnage between the views of the British and United States Governments, and that there would be no difficulty in adjusting whatever misunderstandings existed. He agreed that there had been some mutual suspicion, but he thought that he had satisfied Mr. Colby as to the *bona fides* of the British, giving as an example the case of the employment of ships going East to carry goods. In regard to the pooling of all shipping, there was a distinct difference of opinion, and he had gathered that Mr. Colby was against the formation of an inter-Allied pool, and in favour of close cooperation in working. It was not to be forgotten that it was not merely a matter between Great Britain and the United States, but that France and Italy were also concerned.

Mr. Colby said that he agreed in the desirability of establishing a pool, but did not think that it was a practical proposition. He thought that the only practical step was to establish a shipping board in New York and a shipping board in London, which would be connected by a cable commandeered for their use alone. These boards would work in intimate touch with each other, and, by their mutual action, unity of direction in all problems of the employment of ships would be established. He considered that otherwise, if a pool were established, the surrender of ships by one nation to another would be both unpalatable and difficult. In regard to neutral tonnage, he was quite sympathetic to Sir Joseph Maclay's point of view, having experienced similar difficulties on the other side of the Atlantic. He thought that it would be reassuring to the United States if a termination could be put to a discussion which had continued for months by sweeping away the whole question of neutral tonnage by a mutual declaration that Great Britain should take one half of what was available and the United States keep the other half. He considered that the arrangement in regard to Danish and Dutch tonnage was weak. The main thing, in his opinion, was to avoid delay in employing the vessels.

Mr. Barnes asked how much neutral tonnage there was in the United States ports.

Mr. Colby informed the conference that there were approximately 750,000 gross tons of neutral shipping in the United States ports, as much as was at the disposal of the United States military authorities, or would be constructed in the United States by April, 1918.

Mr. McCormick, as an instance of the efforts being made by the United States Government to obtain tonnage, quoted the case of the negotiations which had been proceeding between the United States and Japan in regard to an exchange of steel plates, which were badly required by Japan for Japanese shipping to be employed in the Atlantic trade. In regard to the suspicions which had existed in the matter of the employment of British ships, he quoted the case of the Blue Funnel Line, which had been employed in the Pacific. As to policy, he agreed with the views of Lord Robert Cecil, and thought that it was essential for both sides to put all the cards on the table and treat the shipping problem as a whole. If it were to devolve upon the United States to transport and maintain their army in Europe, he could quite understand the desire of the United States Shipping Board to retain one-half the Norwegian shipping. For them the alternative to obtaining tonnage from outside was to maintain a small army alone. In regard to the maintenance of 1,000,000 men, however, neutral tonnage played a very small part.

Sir Joseph Maclay explained that the reason why the vessels of the Blue Funnel Line, which originally ran to Vancouver, had been employed in the Eastern seas, was that they had been sent out to convey coolies from China to France, which was a war purpose, and not a trade operation.

Mr. McCormick instanced this explanation, which he at once accepted, as an example of how easily such questions would be settled if a joint organisation to handle the subject of shipping existed.

The Prime Minister gathered that there was still some difference of opinion, and considered, if that were the case, that the matter should be cleared up once and for all before the United States mission left the country, and proposed that a small committee should meet that afternoon to consider the matter.

It was decided that—

> A committee should meet at 4 o'clock that afternoon to consider and settle the question of the best use to be made of the neutral shipping available to the Allies, this committee to be composed as follows:
>
> | | |
> |---|---|
> | Lord Curzon | Mr. McCormick |
> | Lord Milner | Mr. Colby |
> | Lord Robert Cecil | Dr. Taylor |
> | Sir Joseph Maclay | Mr. Perkins |
>
> Capt. Clement Jones (Secretary)

Lord Northcliffe pointed out to the conference that he had been in the United States for five months, and quite agreed that there had been considerable suspicion as to our motives. He considered that it was natural that such suspicions should exist, if it were borne in mind how far removed from the war the inhabitants of the United States were and how ignorant of the war they were—very largely owing to the fact that they were not supplied with information and facts from this side. He was therefore not surprised that there was not full appreciation of the great extent to which the trades of the British Empire had been sacrificed for war purposes. He suggested, as a practical and partial measure, that Sir Albert Stanley should meet the members of the United States mission before they left London and explain to them categorically how many British trades had been absolutely killed owing to the necessity of conducting the war.

Mr. Crosby agreed that possibly the public in the United States did not understand the situation, but those responsible did. He added that for many reasons the United States Government, especially the Treasury, would have preferred that these trades, for economic reasons, had not been killed.

Mr. Balfour pointed out that within the reference to the small committee just appointed to consider the best use to be made of

neutral shipping would come the question of exchanging for other advantages the present power of the United States to enforce an embargo.

Mr. Colby alluded to the fact that the Danish agreement had been subscribed to by Great Britain, France, and the United States, and that it amounted to a 50-50 proposition. The matter had been settled, but the settlement was now held up—not owing to any difficulties between Norway and the United States, but owing to difficulties between Great Britain and the United States.

Lord Robert Cecil was of opinion that the United States Government were so anxious about neutral tonnage that they were desirous of getting it at all costs.

2, Whitehall Gardens, S. W.,
November 20, 1917.

Report of the Representative of the Navy Department (Benson)

1. The following is a brief summary of what I believe to have been accomplished from a strictly naval point of view during the visit of the mission to Europe:

(*a*) Decision to send division of battleships to join British Grand Fleet immediately.

(*b*) Tentative agreement to send entire Atlantic Fleet to European waters in the spring provided conditions warrant such action.

(*c*) A joint decision to undertake with the British the closing of the North Sea by establishing and maintaining a mine barrage.

(*d*) An assurance by the British Government that the Straits of Dover will be efficiently closed, and that steps will be taken immediately with this object in view.

(*e*) Decision upon a definite plan of offensive operations in which our forces will participate in the near future.

(*f*) The practical abandonment of the office of naval attaché in London during the war and the ordering of the commander of the U.S. Naval Forces Operating in European Waters as naval attaché in addition to present duties. Decision to follow a similar course in France.

(*g*) Agreement entered into with British Admiralty which permits the officer commanding the U.S. Naval Forces Operating in European Waters to attend the morning conference in Admiralty.

(*h*) An agreement to have three of our officers detailed for duty in the planning section of the British Admiralty in order to secure closer cooperation and in order that we may have full information at all times as to just what plan of operations the British Admiralty may be considering.

(*i*) The formation of the Inter-Allied Naval Council.

(*j*) Discovery of the necessity for and the decision to reorganize our naval forces in France so as to properly administer

the several fields of naval activity and so coordinate their work that the maximum efficiency may be obtained. The ports of Brest, St. Nazaire, and Bordeaux will be separately administered, so far as the Navy is concerned, and will be coordinated under the command of the senior naval officer in France.

(*k*) Decision to organize an efficient secret service along the French coast in order to reduce the activity of enemy spies to a minimum and thereby provide for the safety of our ships and the security of the lives of our nationals.

2. As the result of my intimate contact with the general situation abroad, and particularly with the naval phase of it, I recommend the following:

First: That steps be taken to increase our patrol and escort forces in France. In order to accomplish this and in order to supply destroyers for operations in which we should participate in the North Sea our destroyer building program should be hastened in every possible way.

Second: That every effort be made to push to completion the necessary material for naval aviation and the training of the necessary personnel for aggressive operations with the British against the enemy in accordance with plans agreed upon. Offensive operations in the air I consider a necessary preliminary to other forms of naval offensive against enemy bases.

Third: That steps be taken to establish an efficient naval advance base in the Azores.

Fourth: That steps be taken immediately to increase the port facilities for handling ships and for discharging cargoes and troops at all of the French ports which we propose using.

Fifth: That a coordinate plan satisfactory to the War Department, the Navy Department, and other interested departments of the Government be drawn up which will provide for the efficient administration of the French ports which we propose using, and further, that once this plan is decided upon it be issued in the form of an Executive order for the guidance of all concerned.

3. My investigations and studies of the situation in England and France, and the opinion which I have reached as the result of conferences with the naval representatives of Italy in Paris, convince me that we can expect no additional naval assistance whatever from the continental European Allies. I have been unable to escape the conviction that all countries opposed to Germany in this war, except ourselves, are jealous and suspicious of one another. They believe, however, in the sincerity and unselfishness of the United States; and feeling thus, they are not only willing for the United States to take the lead in matters which affect our common cause; but they are really anxious that we should dominate the entire Allied situation, both as regards active belligerent operations against the enemy, and economically. From intimate contact with the actual war operations and from a knowledge of the European situation which is based upon

secret and what I consider reliable information, I am convinced of the possibility of the burden of the entire war sooner or later devolving upon the United States and Great Britain—and this practically means the United States. With these facts before me I feel that every form of assistance which the United States can give to any or all of the Allies to sustain them in such a manner that they can continue the war means a continuation of the war (so far as we are concerned) on foreign soil; and geographically advantageous to ourselves. In addition it means that every day that we can keep any of the European Allies in the war, just so much of the burden is being borne by that ally which otherwise would have to be borne by ourselves.

4. For this reason I believe that no time should be lost nor should any effort be spared to assist all the Allies at the earliest possible date and to the utmost extent by any means which will help towards the prosecution of the war.

5. In order for us to efficiently render assistance to the Allied cause in keeping with our resources and expressed determination a logical administration of tonnage having in view the defeat of Germany is imperative. It matters not what flag any ship or ships may sail under provided they are engaged in carrying out well-defined plans for the accomplishment of the above purpose which meet with the approval of the several Governments concerned.

W. S. Benson
Admiral, U. S. Navy
Chief of Naval Operations

On Board U.S.S. "Mt. Vernon",
December 14, 1917.

Report of the Representative of the War Department (Bliss)

After conferences extending over approximately thirty days with the Chiefs of Staff, members of the General Staffs and Commanders in Chief of the Allied armies on the western front, as well as with the highest civil officials of their respective Governments, the following are my conclusions and recommendations as to the military situation and as to the military demands upon the resources of the United States with which the latter must make every effort to comply.

Conclusions

1. A military crisis is to be apprehended culminating not later than the end of the next spring, in which, without great assistance from the United States, the advantage will probably lie with the Central powers.

2. This crisis is largely due to the collapse of Russia as a military factor and to the recent disaster in Italy. But it is also largely due to lack of military coordination, lack of unity of control on the part of the Allied forces in the field.

3. This lack of unity of control results from military jealousy and suspicion as to ultimate national aims.

4. Our allies urge us to profit by their experience in three and a half years of war; to adopt the organization, the types of artillery, tanks, etc., that the test of war has proved to be satisfactory. We should go further. In making the great military effort now demanded of us we should also demand as a prior condition that our allies also profit by the experience of three and a half years of war in the matter of absolute unity of military control. National jealousies and suspicions and susceptibilities of national temperament must be put aside in favor of this unified control, even going if necessary (as I believe it is) to the limit of unified *command*. Otherwise, our dead and theirs may have died in vain.

5. The securing of this unified control, even unified command in the last resort, is within the power of the President if it is in anyone's power. The military men of the Allies admit its necessity and are ready for it. They object to Mr. Lloyd George's plan of Rapallo (which, however, I would accept if nothing better can be done) for the reason that, on last analysis, it gives political and not military control. I asked Sir Douglas Haig and General Robertson what would happen if the military advisers of the Supreme War Council recommended and the Prime Ministers accepted a military plan which the British Commanders in Chief in the field and the Chief of Staff did not approve. They said that it would be impossible to carry it into execution without their approval; that they would have to be relieved and the advisers to the Supreme War Council put in control. In the present temper of the English people such an issue could not be forced without the probable defeat of the Government. In general, they hold that the problem now is a military one and that in some way unity of control must be obtained through an unhampered military council.

The difficulty will come with the political men. They have a feeling that military men, uncontrolled, may direct military movements counter to ultimate political interests. They do not fully realize that *now* the only problem is to beat the Central powers. They are thinking too much of what they want to do after the Central powers are beaten. They do not realize, as the Central powers do, that national troops as a body can only be efficiently employed in the direction in which national interests lie, with, in this war, the sole exception of our troops which will fight best where they

get the best military results. There need be no political fear that great bodies of English or French troops will be "switched off" to help the territorial aspirations of the Italians, nor *vice versa*. It is not merely a political necessity, it is also a military one which any commander in chief must recognize, that the English Army must fight with its back to the Channel, the French Army must fight with its back to Paris, the Italian Army must continue to fight Austria in the only direction by which it can reach her. This does not prevent troops of any of the four—English, French, Americans, Italians—being detached in accord with some coordinated plan from their main army where they are less needed to operate on another part of the front where they are more needed. The English failure to accomplish results at Cambrai in the last days of November was likely due to lack of reserves which might have been thus furnished.

But, even as to the political men, I think they may now be ready to yield to intelligent pressure. Probably no English or French Premier could, of his own motion, propose what would look to the man on the street (the man who overturns governments) like a deliberate surrender of control of some national interest. But it is not unlikely that those same Premiers are looking to the President of the United States to help them do, with the acquiescence of their peoples, that which they know ought to be done.

And it would seem that the Allies would take in good part the exercise of this pressure by the United States now when it is making this great demand upon our resources.

6. To meet a probable military crisis we must meet the unanimous demand of our allies to send to France the maximum number of troops that we can send as early in the year 1918 as possible. There may be no campaign of 1919 unless we do our best to make the campaign of 1918 the last.

7. To properly equip these troops, so that we may face the enemy with soldiers and not merely men, we should accept every proffer of assistance from our allies, continuing our own progress of construction for later needs, but accepting everything from them which most quickly meets the immediate purposes of the war and which will most quickly enable us to play a decisive part in it. This should be the only test.

8. To transport these troops before it is too late we should take every ton of shipping that can possibly be taken from trade. Especially should every ton be utilized that is now lying idle, engaged neither in trade nor in war. The Allies and the neutrals must tighten their belts and go without luxuries and many things which they think of as necessities must be cut to the limit. Every branch of construction which can be devoted to an extension of our ship-

building program, and which is not vitally necessary for other purposes, should be so devoted in order to meet the rapidly growing demands for ships during 1918. The one all-absorbing necessity now is soldiers with which to beat the enemy in the field, and ships to carry them.

RECOMMENDATIONS

1. That our military program for the first half of 1918 be the dispatch to France of 24 divisions, the last to arrive not later than the month of June; these to be accompanied or preceded by the proportionate number of service-of-the-rear troops.

2. That the artillery troops precede the other troops of the corps, to receive instruction with such artillery as may be available in France.

3. That every effort be made to secure the additional tonnage indicated in paragraph 1 of my despatch No. 10[1] from Paris to the War Department.

4. That the Government of the United States concur in the resolution adopted by the Inter-Allied Conference in Paris by which an inter-Allied organization is created to handle the question of shipping "with a view to liberating the greatest amount of tonnage possible for the transportation of American troops," as quoted in paragraph 7 of my despatch No. 10 from Paris to the War Department.

That the very best man obtainable in the United States should represent us on that commission.

5. That an exact inventory be taken of the capacity of all vessels now in use by the War Department and that before sailing a certificate be required that she is loaded to full capacity.

6. That every effort be made to speed up completion of facilities at ports of debarkation in France. This, together with using fullest capacity of vessels, will, in the opinion of shipping men who have inspected these ports, increase in effect our present tonnage as now operating by from 30 to 50 per cent.

7. That the *Leviathan* (the former *Vaterland*) be used as a station ship at Brest, if we continue to use that port for our deep-draft transport fleet. All troops from the other vessels can be berthed on her pending evacuation from the port. This will greatly hasten the turn-around of the rest of the fleet. It will avoid the danger of a terrible disaster resulting from the torpedoing of a vessel carrying 10,000 men.

8. That a careful study be made of the relative advantages of Southampton as the port of debarkation of the deep-draft transport fleet. This fleet can not carry cargo to Brest. To Southampton it

[1] Not printed.

could carry steel billets to meet our obligations to England for steel used by her in filling our orders. Our other transports can do the same for France.

9. That a more satisfactory and efficient plan for port administration in France be devised. It would seem that General Atterbury, assisted by a high-grade terminal expert at each port, could have entire control of discharge of transports, troop and cargo, until men and supplies are delivered at their destination.

10. That the resolution of the Ministries of Munitions,[1] as quoted in paragraph 2 of my despatch No. 10, in respect to our supply of artillery and ammunition for all of our troops arriving in France during 1918, be at once accepted with reference to every item with which we can be supplied more quickly in this way than by following our own program. Everything should be subordinated to the quickest possible equipment of our troops with its artillery.

11. That, if tonnage requirements make it necessary, approval be given to the plan worked out by a board of officers under General Pershing for a reduction in the strength of a division from 27,000 men to about 22,500; the elimination of the cavalry; the reduction of the reserve supply from 90 days to 45 days, and increasing the number of troops sent via England to 30,000 per month.

12. That, unless the division be materially reduced or its complement of artillery be materially increased, our General Staff study out a new combat scheme by which the four combatant divisions of a corps fight together on the line, with reduced front and extended depth. The front occupied by a division in combat is determined by its power in artillery. An American division from 50 to 100 per cent stronger in personnel than an English or French division, but no stronger than they in artillery, cannot cover its full division front.

13. That the aviation program worked out in Paris, and which I understand is now on its way to the United States, be approved.

14. That the tank program communicated in my despatch No. 12[2] from Paris be approved and every effort made to hasten it. In this war of machines this weapon has become all-important. The prolonged artillery bombardment to destroy wire entanglements before an attack makes a surprise impossible. It becomes possible through the use of the tanks and saves costly expenditure of ammunition. In the attack on Cambrai late in November (which would have been successful with a few more light tanks and reserves to follow the attack) it is estimated that the use of tanks

[1] See Annex to report of the Representative of the War Industries Board, *post*, p. 442.

[2] Not printed.

to destroy obstacles saved 2,000,000 rounds of artillery ammunition, or more than the value of all the tanks engaged.

15. That, having in view conclusion No. 5, above, the Government of the United States represent to the other Governments concerned the great interest which it has in securing absolute unity of military control even if this should demand unity of command; and that for this purpose the Supreme War Council be made a military council with the representation on it of the Commanders in Chief of the respective armies in the field, and their Chiefs of Staff or representatives.

16. Finally, that consideration be given to the question of changing our military line of action so as to bring us into closer touch with the British. This is a very delicate matter and if taken up must be handled with great care. But it is also a very serious matter.

We must take note of the deep, growing and already very strong conviction on the part of Englishmen, both military and the civil, that the war must finally be fought out by an Anglo-Saxon combination. If this is true, it may become evident by the driving in of a wedge into the French line that will cause that people to quit—not to make a separate peace, but to be reduced to a state of inaction leaving the others to fight it out.

But the driving in of that wedge, as our troops are now and apparently are to be situated, will separate us still further from the English forces. If it is likely that we may have to fight with them every purely military consideration points to our joining them now. It would cause a contraction of the French line which would greatly add to its strength. If the French could be brought to look upon this Anglo-Saxon union as having no ulterior object other than a more certain defeat of the enemy, it would be greatly to be desired. The situation as it is, is fraught with possible great danger.

So earnest are General Robertson and Sir Douglas Haig in this matter that, in my interviews with them they have urged our amalgamating bodies of our troops with theirs. Sir Douglas Haig even said that he would give command of these mixed organizations to American officers and that as rapidly as our units become sufficient in number to form complete American divisions they would be separated for this purpose.

TASKER H. BLISS
General, Chief of Staff

ON BOARD U.S.S. "MT. VERNON",
December 14, 1917.

Report of the Representative of the Treasury Department (Crosby)

LONDON

In London conferences were held chiefly with the following gentlemen: Mr. Bonar Law, Chancellor of the Exchequer; and Sir Robert Chalmers and Mr. Keynes, two of the most prominent officials of the British Treasury; Lord Cunliffe and Sir Brien Cokayne, Governor and Deputy-Governor of the Bank of England; Lord Robert Cecil and Sir Adam Block, of the Blockade Division of the British Government; Mr. Austen Chamberlain, Lord Buckmaster and General Smuts, delegates of the British Government to the Inter-Ally Council which we are about to organize, and to which I have been delegated by the President and the Secretary of the Treasury to represent our Government. In addition to these British officials, conferences were had with the Italian Ambassador, and the three delegates of the Italian Government to the same council, namely: Baron Mayor des Planches, Prof. B. Attolico, and Col. A. Mola.

Two representatives of the French Ministry of Finance, M. Fleurieu and M. Avenol, joined in a number of conferences. M. Klotz, French Minister of Finance, was in London one day during our stay, and it was possible to confer with him and Mr. Bonar Law together rather hastily concerning the Argentine wheat purchases.

Interviews were also had in your office with M. Venizelos and some of his aides, this being followed by further discussions in Paris which will be noted below.

The Roumanian Minister in London was also seen and some light upon the difficult subject of his country gained from him.

I shall not mention the various official dinners and lunches attended, although they offered at times excellent opportunity for extending knowledge of both the general and special subjects which interested the mission.

Loans for Great Britain and France in neutral countries

The matter to which chief attention was directed in London in discussions with Bonar Law and officials of the Bank of England was that of the obtainment of loans for Great Britain and France in neutral countries and the corresponding treatment which those countries should receive in the matter of finance and commodity embargo. I found that the Chancellor of the Exchequer, either because of his very heavy parliamentary burdens or because of his rather strained physical and mental condition, had really directed but slight effort to this phase of war finance. As far as I could make out, he felt secure in resting upon the United States Treasury. He had not fully grasped the idea that the limitation of gold exports by our Govern-

ment would seriously limit the efficacy of our loans in dollars as a liquidation of British debts in neutral countries. It was still more obscure to him that in the end even gold shipments might not fully answer the purpose. Before leaving London, however, I believe he had come to join more or less heartily in an appreciation of this question. At least in my presence he gave instructions that agents should be at once sent to the various neutral countries where heavy purchases were being made, with a view to the obtainment of loans. He did not assent to a written suggestion that this effort on his part should be made in conjunction with similar efforts by the French Government, but preferred that they should be made independently. After considerable discussion of the financial embargo, which had been proposed by the Blockade Division of the British Government, Mr. Bonar Law in a last note written to me before my departure from London took the position, which seemed to me a reasonable one, that until his financial agents had at least felt out the situation in their various fields of effort, it would be unwise to proceed against the neutral banking systems with rigorous measures. I had already telegraphed to Secretary McAdoo that, in my judgment, the matter should be held more or less in suspense, as it seems quite inadmissible that we should assume the neutrals should be wholly driven, rather than led, in the matter both of commodities and finance. It is difficult for those who have not gone into the question, perhaps, to understand the vital importance in this war of the obtainment by Great Britain, France and Italy of material and financial aid from neutral countries.

In this connection, a transaction was begun by cable while we were in London, looking to the obtainment of a loan for the British and French Governments in the Argentine Republic in order to cover heavy purchases of wheat desired to be made there. The first idea which I found in the British Treasury was that our own Government should become a purchaser of one-third of the wheat, which should then be turned over to the European belligerents. I could see no reason whatever for the United States becoming a borrower, when as a matter of fact, it is just now a lender to all the countries of the world, either through direct loans to governments or through balances of trade running in its favor. Nor did it seem reasonable to record a purchase of wheat in the Argentine when we are exporting wheat to belligerents on this side of the water. Consequently, my recommendation to Secretary McAdoo proposed only that our diplomatic representative in Buenos Aires should be instructed to support the propositions which would be made by the British and French representatives looking to the loan in question. A telegram was framed which was submitted to Secretary McAdoo with the

suggestion that he might have it sent to our Minister at Buenos Aires through the State Department. This was done, and cable negotiations have been going on constantly since that time. It is impossible to record in detail in this report all that has taken place, but I should not fail to indicate that the attitude of the British representative, Mr. Keynes, when the subject came up again in Paris was that of one who desired in any case to bring the United States Treasury directly into the matter. I could not discover that he went whole-heartedly into the transaction as an independent loan to his Government and to that of France. It was with great difficulty that the arguments presented by us, and let me say also supported by the French, resulted in further telegrams restricting the negotiation to a transaction between the directly interested parties. I am not confident now that the cabling that may be done from London will continue to hold the tone which is necessary for success as an independent effort. This doubtless will be known in the next few days.

In the course of this transaction, much appeared which caused both Mr. Cravath and myself to feel that the proposition of having a financial council more or less centered in Paris would be of value. This matter will be referred to later, but is mentioned here because of the practical lessons learned in a very practical and important special transaction.

In relation to the whole question of loans in neutral countries and in British provinces such as Canada, I found the attitude of the Bank of England officials quite different from that of the Treasury. They were wholly convinced that the efforts which we have urged so strongly should long ago have been made, and they were confident that if properly made they would succeed. The differences upon this and other questions between Mr. Bonar Law and the Bank of England officials have led to a certain strain there which made it difficult for Lord Cunliffe to present his views as strongly as would have been desirable. It is my duty, however, to record the fact that the highest financial authorities in London took the same view, both of the importance and of the probable success of the negotiations proposed by us when this subject was first attacked in Washington two or three months ago.

Inter-Ally Council

While no official work was undertaken with the three gentlemen named as delegates to our Inter-Ally Council, as that council could not yet be organized, I found them interested in the work ahead of them. I was told, moreover, that they were already acting on, as it was called in London, the American committee, and were busily engaged in obtaining from proper sources all of the demands which

are likely to be made upon our Government for some months to come. It is understood these demands will be available for study upon our return to London for the organization of the council.

I discussed generally the subject of the council's work with the three Italian delegates, and they seemed to be alive also to the situation, but had obtained no information as yet from Italy. While in Paris, this matter was urged upon Signor Nitti, Minister of Finance, who promised he would place in their hands immediately a list of the Italian requirements.

Paris

On arriving in Paris, and as soon as the conference had been organized and the finance committee appointed, work was begun, M. Klotz, French Minister of Finance, giving general direction to the meetings. This was the rule followed in all the other sections, namely, that the French Minister should arrange meetings, and indeed act as the chairman of the respective sections. It is a pleasure to record the prompt and efficient manner in which the meetings were thus directed. M. Klotz is surrounded by an extremely efficient staff, and this I state with much confidence, although some of our English friends as well as some of the Americans were at times a little impatient with a certain fullness and prolixity of discussion on the part of the French representatives. In the main, however, their analysis of every situation was more complete than that offered by other interested parties, and their work in formulating precisely what was under discussion or finally decided upon was of the utmost value in rounding up the work of the committee.

As in the case of the other sections of the conference, representatives of all countries were brought together in the first meeting, but the smaller powers understood the situation, and thereafter only the representative of each such smaller power came into the conferences with the English, French, Italian and American representatives in order to discuss his particular case. At a final meeting of the section, the representatives of all countries were again gathered together, but more or less as a ceremony, rather than as a business gathering.

Greece and Roumania

The smaller powers whose cases were very particularly and somewhat lengthily discussed were Greece and Roumania. A report was made by telegraph to Secretary McAdoo concerning both of these countries, with recommendations bearing upon them. At this hour it will be impossible to repeat in any considerable detail what was

said in that telegram, but a copy of it has heretofore been transmitted to you for your information.

In respect to Roumania, while dictating this hasty report, I see statements in the morning paper indicating that possibly the whole action there will fail by reason of an armistice said to be now being considered, which is reported as probably including Roumanian troops. Fortunately, provision was made in the proposition which was recommended to Secretary McAdoo that the diplomatic representatives of the lending powers should draw upon the credits to be established in favor of Roumania. We may therefore be protected against the misuse of funds, first, by the fact that the action of the United States was, of course, only recommendatory, and I have not yet received from Secretary McAdoo an answer to my cable permitting final assurances to be given to the Roumanian Government; and, second, even if this had been given, the check above mentioned would serve to prevent money being turned over to the Roumanians at a date too late for benefit or when it might be turned against us.

The Greek situation I consider very difficult indeed, and it may be that the participation of our Government which has been recommended to Secretary McAdoo will never be called for by reason of changes in military situation in that territory. I desire to record my judgment that the whole Greek situation has been handled by the Allies in an extremely foolish fashion. To-day we are dedicating nearly 400,000 men and probably 1,000,000 tons of shipping to the mere protection of Greek territory. It is true that a number of Bulgarian soldiers are presumed to be occupied in watching the force in Greece, and this is the maximum military benefit now obtained from all this vast effort. It is, of course, wholly inadequate. Greece was probably more of an asset when a neutral than she is now as a belligerent. However, we must take the situation as we find it, the good and the bad; and it was in recognition of the fact that if some action were probably not taken Greece would all the sooner be overwhelmed and an extremely bad situation created, that led me, as I suppose it led you and General Bliss, to the conclusion that we could not criticize the situation too narrowly but if we are to move at all it should be promptly.

In the last meeting of the committee with M. Venizelos it appeared that the whole transaction had been carried along in a very ragged fashion, nobody having clearly understood whether 600,000,000 francs worth of military supplies was to be given or lent by France and England to Greece. M. Venizelos stated that his transactions had been on the basis that he would leave this matter to the big Allies at the end of the war, with the understanding that they would take into account such territorial advantages as Greece might have obtained in the general scramble. As soon as this ele-

ment was plainly introduced, it seemed to me important that we should get out of that particular situation entirely. While Lord Reading, who then represented the British Treasury, and M. Klotz were both naturally anxious to have us share the burden, they saw, I think, the strength of the argument advanced in this respect, and eventually it was determined that their Governments would go ahead on the lines indicated by M. Venizelos, namely, that at the end of the war the whole situation in Greece would be borne in mind by France and England, and that determinations would then be made of munition and other costs which should be assessed against Greece. Great Britain and France may turn to us in the matter, asking for our participation, but I see no reason for hasty action in this respect.

Portugal

The President of the Council of Portugal expressed his desire to meet the representatives of the United States later, and indicated in his appearance before the finance committee that his country might have to arm itself against Spain, and he seemed to think that if this were done it should be financed by other powers. However, as no specific request was made, the matter was remitted to a later date. It would certainly require a great deal of study to justify the United States in helping to arm Portugal against Spain.

Russia

The Russian representatives also appeared, but merely to voice the utter helplessness in which they find themselves. It is my opinion that it is now time to seriously consider whether all the funds and materials subject to control by the Russian Ambassador in the United States should not be taken over by our Government. I know there are technical difficulties in the way and those at this late hour I shall not undertake to solve, but take this opportunity of urging that the question be at once considered. I have already wired Secretary McAdoo a suggestion about the steps which might save our manufacturers from ruin. Those steps we had already considered before my departure from the United States, and they were of course doubtless well in the minds of Secretary McAdoo and Mr. Leffingwell. I hope within the next few days both in London and Paris that action will be somewhat more matured, and that the heads of the Governments there will determine whether or not they shall continue to give a status to the representatives of the Kerensky régime which will carry with it the right to control large amounts of money and material. It seems to me the gentlemen in question, as they can no longer communicate with any governmental organization in Russia, would not feel hurt if, even as trustees, the Governments of Great Britain, France and the United States, respectively, should take in hand all the funds and material resulting

from earlier loans. Indeed, I am informed by M. Klotz that he is already doing substantially this, as the Russian Ambassador here must submit all of his checks against previous credits to M. Klotz before they are honored.

Japan

The Japanese representatives in the finance section indicated in a few well chosen words the willingness of their Government to act as creditor in cases of need of other belligerents. The move was admirably done, and was a part of a justifiable procedure which leads to the recognition of Japan in all respects as a first-class power. We did not turn to Japan for aid in the Greek situation, however, because there was no time to consider the political aspects of such a move.

Financial council

M. Klotz proposed that the work of the Inter-Ally Council, based upon Secretary McAdoo's letter of July 18, 1917,[1] should be extended and at the same time divided. The extension consists in having central bodies in Europe to consider not only Allied needs in the United States, but also Allied needs in neutral countries. The importance of this to us has been made manifest by the development of the exchange situation in New York. We now know that for months we have been lending money to Great Britain and France for the settlement of their balances in all these countries, and the whole attempt to obtain loans for the Allies in these countries has been an effort to relieve ourselves of a burden which is objectionable, both from the point of view of the amount of money involved, and from the atmosphere surrounding the statutes under which loans are made. There is a third aspect in the matter which is also of importance, namely, the effect upon the value of the dollar in various neutral countries. I shall not have time to fully develop this subject, but as a matter of fact, I think it can be concretely stated that as we have married the dollar to the pound sterling, they go for "better or for worse" together in certain conditions, and we cannot make a decent divorce except by the obtainment of loans for Great Britain and France in these countries, thus measurably re-establishing independent international commercial relationships. As soon after I return to London as possible, now that the feverish work of the council is past, I hope to be able to set the subject carefully on paper, and probably shall have wired something more definite to Secretary McAdoo before this reaches him through you.

[1] *Post*, p. 546.

Another direct interest of the United States was suddenly presented here, namely, that our Army in France is desirous of making very considerable purchases in neutral nearby countries, that is, Spain and Switzerland. The matter of priorities in these countries between our purchases and those of France and England is thus immediately brought on the carpet, and, incidentally, all the more importance is given to the exchange question. If at this moment we buy, as is desired by our Army people here, large quantities of material in Spain, exchange being against us as it is, it will cost something like approximately 15 per cent more to pay for these goods than would be the case if we had not undertaken to bear the burdens we now bear in respect to the British and French trade in Spain.

Taking all these reasons into account, it seemed to me eminently desirable that a continuous study of these problems should be effected by men not directly charged with the seeking after and listing of commodities. I am also convinced that it is desirable that this work should be done in Paris. There is, as a matter of fact, to-day a more intelligent appreciation of the financial situation in Paris than in London. In the latter capital, there was a feeling that one was always running against a current; here one runs with it. I am quite satisfied these conditions will change, because of the attitude taken by Lord Reading, who is suddenly thrown into the mill here as the representative of Bonar Law. He discovered how complex the situation is, and seemed to have gone away convinced that a continuous study of finance in neutral countries was of the highest importance. I believe also, though this is less certain, that he will see the importance of cooperation of the English and French efforts in these respects. The insularity of Great Britain, its splendid position in the world for so long—all these subtle forces render the talk of coordination much more froth than beer. Our work must be continuous in order to give any substance to the resolutions of the conference.

I have just received the following telegram on this subject from Secretary McAdoo:

My own judgment is against two councils. Concentration instead of diffusion is the need of the hour, it seems to me, but am willing to accept your and House's judgment whatever it may be.

I believe your own personal explanations of the importance of having contact with Paris, as well as with London, together with such explanation as this hasty dictation, will relieve Secretary McAdoo's mind. It is quite possible that we may eventually work the thing out to this effect, that the Inter-Ally Economic Council

shall have a finance subcommittee. That indeed was my first thought when M. Klotz proposed his plan. M. Klotz urges, however, that it is always desirable that those who consider getting things together should be checked by others who consider how to pay for those things. This, of course, is fundamental, and is of some value. Nevertheless, I do not consider that as the main reason for assenting to his proposition, since the Inter-Ally Council could be made up of such elements as would in themselves offer the necessary checks and balances as between a commodity man and a finance man. Giving some weight to that consideration, I gave more weight perhaps to the importance of having official work which should regularly call the American representative from London to Paris. I feel entirely sure that any representative of our country staying entirely in one capital or the other would lose part of his usefulness. I do not mean by that, at least so far as I am personally concerned, that I would, chameleon-like, take on the complexion of the people among whom I dwell, since I believe I have lived long enough and independently enough among the peoples of many countries of the world to be immune from that danger. But even if this is true of me or any other representative of the United States, it also remains true that the bodies of information and the points of view in London are different from the bodies of information and points of view in Paris. We need both. This reasoning would extend as well to Rome, and, indeed, I hope to be able to get to Rome for a short time at least, and at an early date. I shall also hope to get to Madrid, particularly if in the meantime we cannot work out some relief to the exchange situation in that country. It is just now perhaps the most vexatious one from our national point of view, and I shall expect to be reporting upon it by cable to Secretary McAdoo before you reach America.

In the haste of this dictation, I have doubtless omitted some important considerations, but these perhaps have been more or less covered by personal conversations, and will later be made a matter of record.

OSCAR T. CROSBY

PARIS, *December 6, 1917.*

Report of the Representative of the War Trade Board (McCormick)

Upon my arrival in London, in accordance with my instructions, I at once communicated with the foreign office of the American Embassy, to make an appointment with Lord Robert Cecil, Minister of Blockade, to arrange for conferences to discuss the negotiations with Norway, Denmark, Holland, Sweden, and Switzerland.

Lord Robert Cecil, Doctor Taylor, and I met at once and arranged for a series of conferences. These conferences were held in the Blockade Minister's office in the Foreign Office, and those present at these conferences were as follows:

For Great Britain:

Lord Robert Cecil
Lieut. Commander Leverton Harris
Sir Eyre A. Crowe
Mr. Kidston
Mr. Harwood
Mr. Forbes Adams
and other blockade experts

For France:

M. de Fleurieu
M. Charpentier

For Italy:

Prince Borghese

United States Representatives:

Dr. A. E. Taylor
Mr. Gunther
Mr. Pennoyer
and myself

A complete record of the minutes of these conferences are attached hereto as a part of this report,[1] and the result of the negotiations has already been filed with the State Department in cablegrams which were interchanged between the War Trade Board and Doctor Taylor and myself.

We were impressed with the desire of the British representatives to close as soon as possible these negotiations, and they were particularly anxious to have them carried on in London, owing to its proximity to the neutral countries, as well as to our other allies, and the possibility of freer and more expeditious interchange of communications between the respective Governments and their representatives, as it was possible for the commissioners to return to their own countries for additional instructions. Their anxiety to hasten the closing of these negotiations was primarily to enable them to reopen their commerce with the neutrals in order to improve the exchange situation in these countries, which was becoming serious. Also the effect of the embargo was beginning to create a bitter feeling against the Allies which was encouraged by the German propagandists.

We encountered no serious difficulties with the Allied representatives as to the terms of our negotiations, and discovered we were

[1] Not printed.

in accord upon most points, and found that Lord Robert Cecil took a most liberal view in regard to the disposition of the northern neutral tonnage, now or hereafter in the Allied service.

We regretted that the Norwegian negotiations could not have been transferred to our respective Ministers in Norway, because from reliable information at hand we believed the negotiations could have been concluded by our Ministers with much greater dispatch than through Doctor Nansen, who, according to our advice, has not full power, and must refer all proposals to the Foreign Minister of Norway, who is reported to us to be out of sympathy with the aims of the Norwegian Government, and people. I was sorry that Washington did not approve of our proposal, because I believe it would have been entirely satisfactory to the people of Norway, and the agreement would have been executed by this time.

All of our negotiations were carried on in the most open and frank manner, with all the information in the hands of the British at our disposal, with the apparent desire to co-operate in every possible way and defer to our views upon all important matters.

The conference considered the final proposals to Norway and Denmark, as submitted to them by the War Trade Board, and by cable have expressed their approval, with the addition of certain recommendations.

Doctor Taylor and I reported to the conference the difficulties we have encountered in connection with our negotiations with the Dutch commissioners, particularly dwelling upon the tonnage question. In this connection Lord Robert Cecil informed the conference that he had submitted to the War Cabinet the question of the requisitioning of the entire Dutch Fleet, and the War Cabinet had approved this recommendation, including those Dutch ships in British ports, estimated to be 38 in all, and suggested that we urge upon our Government the requisitioning of all Dutch ships in our ports.

The British laid great stress upon the gravel and stone trade in its trans-Holland aspect, and urged us to join with them in stopping this traffic, insisting that it is necessary to stop the export of these materials from Holland. The French delegates raised the point of similarity of coal to Italy, via Switzerland, stating that the Swiss Government did not object to this traffic.

Figures were submitted to the conference showing that the original figure of 500,000 head of cattle which the Dutch claimed they must slaughter was now shown by a member of the Dutch Agricultural Board to be reduced to 50,000 head. In conference Doctor Taylor and Mr. Harwood and the Food representative have agreed upon the Holland ration. The British delegates pointed out the urgency

of completing the negotiations with Holland, as the Germans were trying to tie up the Dutch by various agreements dealing with the products about which England had already approached Holland and had obtained agreements thereon.

An effort was made to have Sweden send representatives to London to negotiate with us while we were there. It seemed to be the opinion of all the delegates that since the Russian disaster the Swedish negotiations were not as pressing as the others, and that aside from the iron ore question there were no difficult problems confronting us. It was the unanimous opinion of the delegates present that it would be impossible to effect a complete cessation of ore exports from Sweden to Germany, and that an effort should be made to reduce the tonnage to the least possible amount.

The discussion of the Swiss agreement was deferred until the meeting of the Inter-Allied Conference in Paris, with the exception of a conference by Doctor Taylor with Mr. Waterlow on certain details in our proposal to Doctor Sulzer.

In view of the War Trade Board's close association with tonnage questions I discussed the tonnage phases of this subject with Lord Robert Cecil, and suggested to him that the time had come for the elimination of competitive commerce among the Allies, and for perfect frankness and co-ordination of action in regard to the tonnage question, and that unity of our economic effort in this direction was just as important and necessary as in our military and naval efforts. He was in perfect accord with this suggestion, and to further this plan arranged a conference of the representatives of Great Britain, France, Italy, and the United States, at which Lord Milner of the War Cabinet presided. Mr. Colby and I represented the United States. A sub-committee was appointed to draft and submit a plan for the consideration of the general committee. Lord Robert Cecil drafted a memorandum on the tonnage situation. This was discussed, but not acted upon, and formed the basis of discussion by a committee subsequently appointed by the Anglo-American conference on November 20, 1917.

Lord Robert Cecil and I urged a broader treatment of the subject by a pooling arrangement without actual control; the only improvement suggested over the present system being the appointment of an American representative of the United States Shipping Board in London to act in an advisory capacity—the British now having Sir Thomas Roydon in America acting in a similar manner. The formation of two such committees, three thousand miles apart, would not be as effective as one joint organization, as proposed by us, and the result would be that the committee in London, with Great Britain controlling 70 per cent of the Allied tonnage, and the United

States only 10 per cent, would make the committee in London the dominating and important committee, and there was sure to be lack of unity in such an arrangement.

The impracticability of this plan is further evidenced by the first paragraph of the resolution offered by Sir Joseph Maclay, which was as follows:

> America, France, Italy, and Great Britain should all tabulate and *make available to each other* a statement showing tonnage in detail.

Emphasizing again the need of a central inter-Allied organization which would properly manage and supervise the entire tonnage situation.

To further illustrate: under the proposed plan of Sir Joseph Maclay when the military Inter-Allied Council desired to ascertain the available tonnage for a particular purpose it would be compelled to consult individually each separate country, instead of being able to call upon a central committee for such data. A central inter-Allied committee, with the needs of each neutral nation before it, as well as the available tonnage could operate effectively, and would make possible through a single agency a closer co-ordination of the various war committees, and thereby tend to greater efficiency in the prosecution of the war.

At one of the conferences in the Foreign Office, Mr. Crosby and Mr. Cravath were present to discuss the question of a financial blockade of the northern neutrals. No definite conclusions were reached except that due to the great importance of the Allies making loans in the neutral countries it was thought advisable to postpone any action in this direction until after such loans had been arranged. It seemed to be the opinion of all the delegates to the conference that such a blockade could be made effective if joined in by all the Allies, and seriously affect the financial operations of the enemy.

Mr. Crosby is familiar with the situation, and he is going to open up the subject again at a propitious time.

On November 22 the mission proceeded to Paris, and at once, through the Embassy, Doctor Taylor, Mr. Sheldon, who accompanied us from London, and myself were put in touch with the Blockade Ministry, and on the same afternoon began a series of conferences to discuss the Swiss situation, but more particularly the proposal made by the War Trade Board, through Doctor Sulzer, to the Swiss Government, and also to take up the embargo matters with Spain, to make, if possible, a more satisfactory financial arrangement for the Allies for the improvement of the exchange, and also secure from

that country much needed supplies for the needs of the Allied armies. Those present at the conferences in addition to the American delegates, were the representatives of the French, English, and Italian Governments, the members of the International Rationing Committee of France, Italy, and Russia. Conferences were presided over by the Minister of Blockade, assisted by the officials of his department and technical delegates. The War Trade Board proposal to the Swiss Government was referred to the rationing committee, on which Doctor Taylor sat, in order that the figures might be examined in detail, so as to obtain a perfect concordant with the contingents at present in force. The rationing commission made some slight modifications in the original proposal. The proposal was subsequently unanimously approved by the delegates to the conference, and the suggestion that the American delegates at once request the Swiss Government to send representatives to conclude the negotiations was approved by the conference, and the Swiss Government was at once communicated with through its Minister, to carry out this suggestion.

The matters discussed at these conferences will be found in more detail in the memoranda attached hereto.[1]

The following delegates, A. Cailler, Grobet-Roussy, and Heer, accompanied by Professor Rappard, arrived in Paris, and met with Doctor Taylor, Mr. Dresel and Mr. Sheldon and myself, to agree upon the final terms of the agreement before submitting it for final consideration at the Inter-Allied Conference. No serious difficulties were encountered, and finally at a meeting of the conference, at which all the nations were represented, the agreement was approved on December 4, and signatures were affixed on December 5. The memorandum was signed by the Swiss delegates and by myself for the War Trade Board. A copy of this agreement is attached hereto.[2]

We considered it a most propitious time for the execution of the agreement on account of the disturbing reports we had received from Switzerland of the growing distrust of the Allies by the Swiss, largely brought about by the German propagandists, and the commission from Switzerland were unanimous in their belief that the conclusion of this agreement, which assured Switzerland of its food, would go a long way to counteract the evil influences of the German propaganda.

The Allied delegates were particularly urgent upon the necessity of the United States having a permanent representative on the International Commission on Contingents, sitting in Paris, as well as on the Inter-Allied Commission at Berne, which two commissions pass upon the rations. This, after receiving authority from Washington, the American delegates agreed to.

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[1] Not printed.
[2] Vol. II, p. 1185.

A special conference of the blockade delegates was arranged with Mr. Crosby, Mr. Cravath, and Colonel Dawes, representing General Pershing, to discuss the ways and means of assisting the Allies in making loans in Spain and purchases for their army needs; it having been reported that Spain had placed an embargo on certain very necessary materials which both the French and the American Armies badly needed. The result of this meeting was the creation of a Joint Purchasing Committee for the Allies, so that competitive bidding would be eliminated, and it was determined through this committee to test the Spanish embargo at the earliest possible moment, and if the Allied Governments were being discriminated against to recommend a system of retaliation by refusing licenses for cotton and fuel exports from America. In this connection Doctor Taylor and I called on Ambassador Willard, who was fortunately in Paris, and found him alive to the situation, and with very practical suggestions as to the method of handling this situation, which have since been embodied in cablegrams now on file in the State Department. In considering these commercial questions with Spain the lack of commercial attachés resident in that country was particularly noticeable; the attaché in Paris is now attempting to cover Spain in addition to France and Switzerland, which is an impossible undertaking if efficiently done.

At the conclusion of the conferences of the blockade section, the Inter-Allied Conference at the final session adopted the following report covering the work of this section:

The blockade section first devoted its attention to the Allied conventions with Switzerland concerning the blockade questions. As the outcome of the councils held in Paris between November 23 and 30, 1917, the following results were arrived at:

(*a*) The project for an arrangement between the United States and Switzerland was submitted to the conference and approved unanimously.

(*b*) The United States will appoint delegates to participate in the deliberations of the Permanent International Commission on Contingents, as well as in those of the Inter-Allied Commission of Berne.

(*c*) The section then proceeded to study the measures to be taken to ensure the revictualling of the invaded countries. It decided that the necessary measures should be taken to facilitate the work of the Relief Commission in Belgium and the north of France in its programme of supplies and transportation.

(*d*) The section deems it advisable to submit the following general declaration to the conference:

> The prolongation of the war having led to a consumption of products of all kinds which is out of proportion

to production, it is obvious that the available resources, either in the Allied countries, or in the various neutral lands, are insufficient for the actual requirements. It is, therefore, necessary to make a general extension of the principles laid down at the end of last July by the American Government.

Doctor Taylor and I were fortunate in having with us in practically all of our conferences Mr. L. P. Sheldon, the Food Administrator's representative in London. Through his connection with the Embassy in London he was familiar with the work of the War Trade Board, as well as that of the Food Administrator, and was of inestimable value to us. It was the opinion of Doctor Taylor and myself that as he is a man of great ability and has a thorough knowledge of the affairs of the War Trade Board we would recommend his appointment as our representative in London, provided that satisfactory arrangements can be made with Mr. Hoover. We believe he can ably represent us in that capacity, and his business experience and knowledge of our work should particularly fit him to build up an efficient organization.

We would also recommend the appointment of Mr. Ellis Loring Dresel as the representative of our board to sit upon the Inter-Allied Commission in Berne. Mr. Dresel met us in Paris, and was present at most of the conferences on the Swiss agreement, and his thorough knowledge of conditions in Switzerland as well as in Germany would make him a most valuable man for us in that capacity.

We had hoped while we were in England to have the advantage of personal reports from our representatives in the northern neutral countries to assist us in our negotiations, but unfortunately Mr. Gale, from our Legation at Copenhagen, and Mr. Edwards and Mr. Hayward from Holland did not join us until our last week in Paris. We particularly regretted that representatives from Norway and Sweden were not available, Captain Breckenridge being the only American representative from whom we were able to get direct information concerning those countries.

Doctor Taylor and I discussed the Danish proposal with Mr. Gale and Mr. Conger in Paris, and they both considered it a very fair proposition, and their only criticism was that it might be somewhat too liberal.

Doctor Taylor returned from Paris to London and spent a week in conferences with the British, French, and Italian blockade authorities, dealing with the subjects of Holland and Sweden.

The industries, imports, exports and economic situation of these two countries were thoroughly gone into and a technical basis of blockade and exchange agreed upon by the representatives of the four countries. These two furnished the basis for the later negotia-

tions to be held in London with special representatives of the Dutch and Swedish Governments.

Doctor Taylor participated in London in two conferences in the office of Lord Robert Cecil, attended by members of his staff, M. Charpentier and M. Serruys, of the French Blockade Ministry, the Italian representative, and Mr. L. P. Sheldon. The Dutch representative was Snouck, who came from Holland with powers to conclude an arrangement *ad referendum* within certain limits. These negotiations extended over two days, and led to the clarification of the situation and to a formulation of certain arrangements that have since found their expression in the *modus vivendi* between the Dutch Government and the Allied Governments.

The scope of the conference with Sweden was outlined but could not be entered into on account of the delay in the arrival of Ballenberg, the Swedish delegate.

Doctor Taylor left London with the conviction that all of the technical features of the blockade of these two countries were settled in these conferences, leaving only broad questions of policy to be determined by cable, and the later conduct of these negotiations has proved the correctness of this view.

It was arranged in London that the negotiations with Denmark and Norway should be conducted in Washington by the War Trade Board under a clear understanding of the limiting factors involved. On the other hand, the negotiations with Sweden and Holland were to be conducted in London under a similar definition of the limiting factors involved.

Mr. L. P. Sheldon, representative of the War Trade Board in London, attended every meeting devoted to the blockade, held in London prior to the departure of the mission for Paris, in Paris, and in London following the return of Doctor Taylor.

This laid the foundation for a familiarity with the subject that will be of great importance to the War Trade Board in the later work of Mr. Sheldon, who is a man of broad experience in the diplomatic life of Europe, and of unusual and versatile powers.

In general it may be said that the conferences in London and in Paris cleared the ground of all technical misunderstandings.

The blockade authorities of the four countries understand each other from the point of view of commodities, industry, trade and exchange. Any question that may arise in these directions will from now on be trivial and easily settled by cable. There remain only questions of policy, which change with the progress of the war, and under these circumstances, future negotiations ought to be greatly simplified as compared to those of the past.

The hearty co-operation afforded us in London by Lord Robert Cecil, Minister of Blockade, and in Paris by Minister Lebrun,

and their respective staffs, make possible a much closer co-ordination of our work, and a better understanding with our allies upon all blockade matters. And with the privilege of thus laying the foundation for future branch organizations of the War Trade Board in London, Paris, and the European neutral countries, much has been accomplished, and the future operations of the War Trade Board will be greatly facilitated.

Respectfully submitted,

VANCE C. MCCORMICK

Report of the Representative of the Shipping Board (Colby)

As the representative of the Shipping Board upon your mission my immediate objectives were as follows:

1. To ascertain the true extent of the destruction of Allied and neutral shipping by submarine operations; the extent to which the effective tonnage of the world is diminished as the result of such operations; and the extent to which new construction was reducing the net effect of submarine sinkings.
2. To gain such information as was accessible concerning the extent of new ship construction in Europe, and particularly in Great Britain, and also such information from the plans and methods pursued in British shipyards as might be instructive or helpful in carrying forward our own shipbuilding program, particularly with reference to so-called "standardized" ships.
3. To discuss with the shipping authorities of England, France and Italy methods for the coordinated employment of the joint tonnage of those countries in connection with that of the United States, so that the utmost efficiency of service might be obtained from the reduced aggregate of the world's tonnage, pending relief of the present shortage by new construction.
4. The discussion of some program of joint action on the part of the four chief belligerent powers regarding unemployed neutral tonnage.
5. To bring about some agreement on a common plan of action, looking to the acquisition of the interned and refugee German shipping in South American countries, or, in case acquisition should prove impossible, some other method by which this idle tonnage could be impressed into service in the present emergency.

I have been accompanied on the mission and greatly assisted by Mr. Charles Day, a consulting engineer of Philadelphia, whose services have been voluntarily given to the Government in connection with the work of several of the departments, since the outbreak of the war.

Upon my arrival in London, I was fortunate in obtaining the assistance, through Vice Admiral Sims, of Naval Constructor L. B. McBride, whose expert knowledge of ship construction and familiar-

ity with the shipbuilding program of the British Admiralty, gained through his residence in London of several months, have been of very great value.

Upon the day of our arrival, Ambassador Page placed me at once in personal contact with Sir Joseph Maclay, who is at the head of the Ministry of Shipping, Sir Alan Anderson, Controller of the Admiralty and charged particularly with all construction work of both naval and merchant ships, and Maj. Gen. A. S. Collard, in direct charge of merchant shipbuilding. There ensued a series of daily conferences with the officials above mentioned, which were attended by the heads of the various related departments. All pertinent facts were disclosed with complete unreserve, and I have been enabled to gather voluminous and, I believe, very complete data upon all the subjects of inquiry above indicated. This data is in the form of statements, tables and reports prepared by the departments most familiar with the various subjects, and will be filed with the Shipping Board, where it will be accessible. A tabulated statement of the data referred to, is annexed hereto.[1]

I will take up briefly the objectives to which I have directed my inquiries, in the order above outlined.

1. The Extent of Ship Destruction by Submarines

The losses of British, Allied and neutral shipping due to war risks from August 1, 1914, to September 30, 1917, total	3,788	ships	
	9,224,555	gross	tons
Losses due to marine risks for same period	1,552,290	"	"
Total	10,776,845	"	"
The losses of British, Allied and neutral shipping due to war risks from January 1, 1917, to September 30, 1917, total	5,157,000	"	"
Losses due to marine risks for same period	369,000	"	"
Total	5,526,000	"	"

Consideration of the losses by weeks from January 1, 1917, indicates that if the several weeks during which the losses were extraordinarily heavy (in April, May and June) be eliminated, the reduction in losses during recent months has not been sufficient to warrant the conclusion that there has been any distinct change affecting the efficiency of enemy submarine operations. On this account it must be assumed that the losses for the year 1918 will correspond with the rate in 1917.

[1] Not printed.

On this assumption, the combined losses of Great Britain, the Allies and neutrals for 1918 will be	7,368,000	gross tons
The estimated output of new ships in the United Kingdom for 1918 is	1,841,250	" "
(If the United States could furnish ship plates to the extent of 5,000 tons per week, the production can be increased to 2,366,000 gross tons.)		
The United States merchant shipbuilding program for 1918, according to the latest advices received by me from the Shipping Board provides for	3,070,000	" "
Consequently the combined production of the United Kingdom and the United States will aggregate	4,911,250	" "
It is therefore apparent that the combined tonnage of Great Britain, the Allies and neutrals will be reduced during the year 1918 by	2,456,750	" "
The foregoing statement makes no allowance for possible production of tonnage by countries other than the United Kingdom and the United States which is not likely to exceed	500,000	" "

The total of the projected shipbuilding for the year 1918 by Great Britain and the United States will only slightly exceed the estimated British losses for 1918.

Great Britain has lost from January 1 to September 30, 1917 (war risks only)	811 ships 3,173,197	gross tons
On this basis Great Britain's losses for 1918 will be	4,230,929	" "

It may be thought that an estimate of sinkings by submarine for the year 1918, based upon the average rate of loss from January 1 to October 1, is excessive because that period includes three months during which the losses were at a very heavy rate, not later maintained. If, however, the months of July, August and September, 1917, which more nearly approach a normal experience, are taken as a criterion of the present effectiveness of the submarine, and an estimate for the year 1918 is deduced from the average of these months, the result is only a little less startling. According to figures furnished me in confidence by Sir Eric Geddes, First Lord of the Admiralty, the loss of tonnage for the three months of July, August and September, amounted to 1,521,000 gross tons, made up as follows:

Sinkings by submarine	1,341,000	gross	tons
One-fifth of damaged shipping (a percentage which should be reckoned as a loss)	57,000	"	"
Losses from marine risks	123,000	"	"
Total	1,521,000	"	"

This is at the rate of 6,084,000 gross tons, or 9,734,000 dead-weight tons, per annum.

While it is true that we are embarked on a shipbuilding effort, of a magnitude beyond all precedent, the foregoing figures of submarine destruction, which are derived from the most authentic sources, constitute a striking challenge to the adequacy of our program. A glance at the foregoing figures can leave no doubt that the sinkings by submarine are not only in excess of present shipbuilding, but in excess of projected building by Great Britain and the United States for the year 1918.

We must do more or leave the submarine in possession of the field.

2. New Construction

The present output of new tonnage in Great Britain is limited by the amount of ship steel available. The estimated output for 1918 is 1,841,250 gross tons. This output could be increased to about 2,366,000 gross tons if 5,000 tons of steel plates per week can be supplied by the United States. No ships now under construction in Great Britain can properly be termed "standardized" or "fabricated" ships as these terms are understood in the United States. There are nine different types of cargo vessels now under construction on Government order. Structurally, these ships do not differ from the ordinary tramp type, but are standardized to the extent of using a common type of deck and engine auxiliaries. They also incorporate certain features in connection with the arrangement of the upper works to increase the difficulty of a submarine calculating their course or speed.

There are now in course of erection in the United Kingdom, four national yards, at which it is the intention to employ unskilled labor, consisting in part of German prisoners. Designs of a standard or fabricated ship to be built at these yards, are being prepared, involving the use of more modern methods and equipment than have heretofore been employed, such as multiple punches, pneumatic tools, etc. To make possible this advance in methods it will be necessary for the United States to supply a considerable amount of pneumatic tools and a limited amount of crane equipment.

There is practically no merchant shipbuilding under way in Italy and France, where the shortage of men, materials and fuel practi-

cally restricts such shipbuilding facilities as these countries, respectively, possess, to the mere repair and maintenance of naval vessels.

3. Employment of Existing Shipping

In view of the fact, of most grave significance, that the present inadequate total of world tonnage is destined to still further reduction, due to the fact that it will be many months until the accretion of new tonnage equals the monthly destruction resulting from submarine operations, the efficient employment of existing tonnage becomes a matter of the first importance.

Not only is it the duty of the belligerent nations to withdraw all ships from purely commercial service and to employ them in the maintenance of their armed forces and for purposes strictly cognate to the prosecution of the war, but it is highly desirable that there should be the utmost measure of coordination in the employment of all tonnage within this restricted field.

These facts are clearly recognized and promptly conceded by the English, French and Italian officials. Notwithstanding this, however, there is a strong disinclination on the part of each of the powers named to concede any measure of actual control of the shipping which each possesses. The problem presents a twofold aspect. There is, first, the obvious wisdom of coordination and unity of direction for the sake of efficient common action. At the same time each nation apparently feels that the duty of defending itself, involving the maintenance of its own forces and the sustenance of its own nationals, is one that it cannot confide in any degree to another nation nor to any inter-Allied body of control. Inasmuch as the tonnage at the service of France and Italy, respectively, is clearly insufficient for their needs, and in view of the fact that both France and Italy are not utilizing tonnage which has been voluntarily placed at their disposal by Great Britain and the United States, it seemed obvious that whatever relief to the situation can be expected from the more efficient employment of existing tonnage must come from joint action of Great Britain and the United States. I therefore discussed this subject very fully with the shipping authorities in England, and we reached certain agreements as to the employment of the tonnage that Great Britain and the United States, respectively, controls, and such neutral tonnage as may be obtained by either.

Our discussion proceeded upon a frank recognition at the outset that neither country could relinquish the power of control of its own shipping, although fully recognizing the importance of coordinated direction and mutual agreement to the fullest possible extent. I therefore proposed that the United States should maintain in London

a representative, some one who understood its needs, the scope of its military operations, and its shipping resources, to be in constant contact with the British Ministry of Shipping; and that Great Britain should do likewise, sending a man of similar qualifications to the United States. With contact thus established, it was further suggested that the two nations should effect some arrangement, by commandeered cable or priority of cable communication, whereby the utmost rapidity and ease of communication could be brought about, and thus the two viewpoints, British and American, could be brought into play upon the employment of every vessel subject to our joint direction and control, and the designation of every overseas voyage.

These suggestions were thoughtfully received by the British and very carefully examined. They were discussed briefly at a fully attended conference of the War Cabinet and the heads of departments, held at No. 10 Downing Street on November 20, 1917, and on the same day were very searchingly examined and discussed by a sub-committee appointed for that purpose by the conference, among whose members were Earl Curzon, Viscount Milner, Lord Robert Cecil and Sir Joseph P. Maclay, the Shipping Controller. It was the consensus of opinion that the suggestions embodied the fullest measure of coordination in the control of existing tonnage that was practicable.

Throughout the discussion I had in mind the strong disinclination, heretofore manifested by the United States, to yield the actual control of its own shipping, even to the extent of sending a representative to sit upon the Allied Chartering Committee. I proceeded upon the assumption that the British must feel a similar disinclination to relinquish, in the final analysis, the control and disposition of their own tonnage, in view of their greater dependence upon overseas cargoes for the maintenance of their industries and the feeding of their civil population. The proposed arrangement seemed to me, therefore, to be the best that was possible under all the circumstances and to be worthy of a trial. If we could not agree upon some formula of absolute unity of direction, we could, at least, assemble the elements of harmonious action and rely upon the intelligence of our representatives to perceive the identity of our interests and aims, and to supply by conduct and practice a coordination that would be difficult to bring about by authority.

A quite complete accord having been reached with the British authorities on this subject, it was recognized as proper that France and Italy should be consulted and their assent obtained. The results of our discussions in London were embodied in a memorandum, which was later agreed to in principle by the section of importations and maritime transports of the Inter-Allied Conference. This

latter section or sub-committee of the Inter-Allied Conference was recognized as one of the very important committees of the conference, and its membership was in every sense representative. Messrs. Clémentel, Loucheur, Lémerey and Boret, of the French Cabinet, Mr. Tardieu, the French High Commissioner to the United States, and others representing France, Lord Reading and Sir Joseph P. Maclay, representing Great Britain, Messrs. Bianchi and Nitti, representing the Italian Cabinet, and representatives of Belgium, Brazil, Japan, Roumania and Serbia, constituted the section or sub-committee, together with Mr. McCormick, Mr. Day and myself as the representatives of the United States.

The memorandum of the conference in London, above outlined, as to the control of existing tonnage, was submitted to this section or sub-committee of the Inter-Allied Conference and agreed to in principle. At the suggestion of the French members of the committee, it was voted to establish a standing committee, consisting primarily of representatives of the United States, Great Britain, Italy and France, which should remain in session in Paris, collecting information as to the requirements of the respective belligerent nations and the movements of shipping, for the purpose of maintaining at all times a broad survey of the general needs and available shipping facilities.

This committee is to have no power of actual control or direction of the tonnage belonging to any nation, but is to be a source of information and of recommendations. This action of the sub-committee was regarded with approval by the British and American representatives, as it gives both France and Italy a voice to make known their respective needs and does not interfere with the action of Great Britain and the United States in employing, according to their own judgment, their joint tonnage in the service of the belligerent nations as a whole. The memorandum of the London conference on this subject contains the following express disavowal of any intention by America or Great Britain to delegate the ultimate control of their tonnage, to wit:

It would be difficult for any country, and particularly for America and Great Britain, to delegate absolute power to dispose of its tonnage (which is the basis of all its civilian and military requirements) to a representative on an international board on which he might be outvoted. Such a board, moreover, would not lead to administrative efficiency, partly because the complete control of all tonnage can scarcely be well concentrated in one place, and partly because representatives upon it would tend to be at once out of touch with actual administrative and executive machinery, and at the same time scarcely invested with sufficient authority to make reductions in various supply programs, munitions, food, etc.

The committee on maritime transports, recognizing that coordination was only practicable with such qualifications as are above outlined, adopted the following resolution as expressing its judgment:

The Allies, considering that the means of maritime transport at their disposal, as well as the provisions which they dispose of, should be utilized in common for the pursuit of the war, have decided to create an inter-Allied organization for the purpose of coordinating their action to this effect and of establishing a common programme, constantly kept up to date, enabling them by the maximum utilization of their resources to restrict their importations with a view of liberating the greatest amount of tonnage possible for the transportation of American troops.

4. Neutral Tonnage

The importance of neutral tonnage arises from the possibility of its immediate employment as an offset to the continued diminution of existing tonnage through submarine operations. I found on reaching London that England claimed to have reached definite understandings with Norway, Holland and Denmark, whereby England was to exercise a control over all tonnage belonging to these three nations which was not actually required for their own needs. This control was to be exercised either by direct charter, as in the case of Norway, or by the conceded power of veto of any voyages or cargoes, which England did not approve of. In the case of Holland, it was stipulated that tonnage thus submitted to England's control should not be employed in the war zone.

Notwithstanding such agreements, which the English regarded as closed and operative, negotiations had been in progress for some months between representatives of the three neutral nations mentioned above and our War Trade Board looking to some concessions of tonnage in return for a relaxation by the United States of its embargo on certain exportations. The situation was confused and has been the occasion of many time-consuming exchanges of communications. Meanwhile much of the neutral tonnage is lying idle and is not serving, as it might, the acute needs of the world, pending the relief which is awaited from new construction.

I think I should state at this point, my belief that England does not, at present, regard the maintenance of her trade as an objective in the dispositions of her shipping, except as it is strictly cognate to the war and the maintenance of the military efficiency of her Allies. Her own need of raw materials for her industries and food for her population is very acute and this she is not losing sight of, but it is the sincere intention and resolve, in my opinion, of the English authorities to utilize all British shipping and all neutral shipping which can be obtained, in *war service* and *not in trade.* England's importations have dropped from 54,000,000 tons, prior

to the war, to 26,000,000 tons, which she estimates as the maximum possibility of her importations during the year 1918. This proposal to make all trade subordinate to the efficient prosecution of the war seems sound from every point of view and one which should appeal to and be promptly adopted by the United States. The release of many hundreds of thousands of German soldiers now held as prisoners in Russia and the cessation of operations on the eastern front, constitute a definite shift in the balance of man power between the two groups of belligerent nations, and indicate in the very near future a very grave increase in the pressure on the Allies' western front. In other words, the military situation is of such gravity as to transcend in importance every other consideration affecting shipping, and it is my opinion that we should not hesitate to adopt the English point of view that all considerations of mere trade and commerce in the employment of our shipping should give way to the paramount requirements of the situation on the western front and to the urgent need of throwing all our strength into the reinforcement of the perilous Allied position at this point.

The discussions in London with regard to neutral tonnage in general turned upon the disposition of the Norwegian tonnage. No concrete progress was made until toward the close of our stay in London. We were unable to fully appreciate the British contention that they had concluded an agreement with the Norwegians, in view of the fact that the Norwegians were still negotiating in Washington for an exchange of tonnage for imports. On November 20, two days before our departure from London, I had an opportunity to bring the matter up at the meeting of the War Cabinet, above referred to, and suggested that to save further discussion, loss of time, and incidentally the deprivation which both nations were suffering from the non-employment of Norwegian tonnage, that all neutral tonnage acquired by Great Britain or the United States should hereafter be utilized only in war service and should be allocated equally between England and the United States. This proposal was referred to a sub-committee, as appears in the printed memorandum of the proceedings of the conference, which is filed with the Shipping Board, and before the day was over had received the assent of the British authorities. In my opinion it should operate to our immediate advantage, as we shall receive not less than 500,000 tons dead-weight of Norwegian shipping as the immediate result of the agreement.

5. German Tonnage in South America

It was the consensus of the committee on maritime transport at the Paris conference that the negotiations for the charter or acqui-

sition of the interned and refugee tonnage belonging to Germany and Austria and now situated in South American ports be conducted by one nation, the others to refrain from independent negotiations, which might delay results.

It was further deemed advisable that the United States should conduct these negotiations, sending special representatives for the purpose to the South American countries where this interned and refugee shipping is situated in order to avoid the confusion of conducting these difficult negotiations through the roundabout channels of diplomacy, and the delays of cable or mail communication.

6. Port and Terminal Arrangements in France

The large number of American transports and cargo vessels now arriving in France has seriously taxed the port and terminal facilities at the three ports now in use, to wit, Bordeaux, Brest and St. Nazaire. The importance of an expeditious discharge of cargoes and the quick turn-around of vessels in their relation to the efficient employment of our tonnage needs no demonstration. While this subject is within the immediate province of the Army and Navy, I nevertheless requested Mr. Day and Mr. McBride, while the Inter-Allied Conference was in session in Paris, to visit Bordeaux, in company with General Bliss and Admiral Benson, and later they visited St. Nazaire and Brest. I deemed it desirable that the Shipping Board should have its own impressions of the nature of the difficulties at these ports and the character of the problems to be solved, in order that such cooperation as it can give to the Army and Navy may be effective. Interviews were had with the general commanding at Bordeaux, and at both Bordeaux and St. Nazaire with the quartermasters in charge and the engineer officers in charge of construction at each port, and the engineer officers in charge of operations. I had the opportunity of an extended conference also with Brig. Gen. Wallace W. Atterbury in Paris, the problem being one which is receiving his special study. Colonel Wilgus was present at this conference.

Detailed reports on this subject are filed with the Shipping Board.

7. Coordination of Effort

The subject most emphasized at the Inter-Allied Conference was the necessity of a greater degree of coordination of Allied efforts. No concealment was made of the belief that the reverses and disappointments of the Allies have been due to the failure of such coordination, with the consequent waste of men and materials. In all discussions of the shipping situation no subject received greater emphasis than this of coordination, and yet I am of the opinion that

the problem was merely stated and restated with sundry variations of phrase, and that no thorough-going or satisfactory formula of coordination was evolved from the conference. In fact I question whether coordination by agreement between the Allied nations is a genuine possibility. Inveterate jealousy, traditional mistrust, acute self-interest, domestic politics, irreconcilable slants of racial and national bias—all conspire to baffle attempts at coordination.

And yet some progress in this general direction may come from the various committees of information and recommendation that were suggested, and doubtless some degree of unity of direction and effort may result from the conference. The coordination, however, which is needed is something which has authority and can exact compliance. This type of coordination, I fear, cannot be evolved by agreement among the present Allies. It must come, if it comes at all, as the resultant of compelling circumstances or of conditions which have in them certain potential and coercive elements, not yet present in the situation.

It may come in connection with the appearance of a commanding military figure. No such figure has yet arisen. The generals who have thus far appeared are of the conventional type. They have had brief successes, which have aroused high expectations, but like sparks they have faded out in the very instant of their appearance. For reasons that could be readily stated, I think it is not to be expected that either England, France or Italy can assume the rôle of director-in-chief of the war or of its related operations. Can America play this rôle? Not yet. Our efforts have not yet touched the popular imagination in the Allied countries. Our loans, while unprecedented in amount and appreciated by the financiers and Ministries of England, France and Italy, do not spell actual participation in the war from the popular standpoint. Our soldiers in the field are relatively few, and they have not yet had the opportunity to give proof of their metal. Our shipbuilding program is of unparalleled magnitude, but it is still only a program in course of realization, and not yet felt as anything more than a sentimental factor in the situation. Our great resources in materials and foodstuffs depend upon transportation in order to be effective as aids to the general Allied position. Nevertheless it is only from America that this authoritative direction can proceed, which is the solitary clue to the "coordination" all are seeking. I incline to the opinion that the next five or six months will be critical in the extreme and will witness an attack in force on the western front by the Central powers. It is highly probable that the French and British line will have to yield in places, and that the general situation on the Belgian-French line will be less favorable at the close of the winter or in the early spring than it is at present. If the losses due to the submarine continue at their pres-

ent rate, the intervening five or six months will witness a further and serious diminution of the already depleted world tonnage with a resultant accentuation of the present shortage of essential supplies among the Allies. In the meantime, however, we shall have succeeded in transporting additional troops and augmenting our slender forces in France. Our shipbuilding program will have made appreciable progress. In short, our power will have developed as the strength of the Allies will have declined. There will be a clearer perception of the indispensable part of America in the defence of the Allied nations against the German menace, and an increased sense of dependence upon America for the necessities of life and resistance. America may find herself not only tempted to assume the direction of operations which are now proceeding upon the unregulated initiative of individual nations, but the Allied nations may be insistent that America assume and exercise such direction and control.

In either one of these two ways—the advent of the Corsican figure, or the emergence of the solitary and ultimate strong nation—and only so, will the coordination that amounts to authority plus obedience come about.

I file herewith a translated memorandum of the discussion in the committee on importations and maritime transports of the Inter-Allied Conference. This memorandum was prepared by the Secretary of the French Minister of Commerce. It is a *résumé* not of the committee's action, but of its deliberations. Action was confined to the adoption of the resolution set forth on page 18 (*supra*).[1]

BAINBRIDGE COLBY

December 14, 1917.

[Annex]

Resolution of the Committee on Importations and Maritime Transport of the Inter-Allied Conference

The special committee for maritime transport and general imports of the Inter-Allied Conference of Paris has decided by unanimous resolution of the delegates of the United States of America, Great Britain, Italy and France, that it is necessary to arrange a form of cooperation between the Allies which will secure the following objects:

(*a*) To make the most economical use of tonnage under the control of all the Allies;

(*b*) To allot that tonnage as between the different needs of the Allies in such a way as to add most to the general war effort; and

(*c*) To adjust the programmes of requirements of the different Allies in such a way as to bring them within the scope of the possible carrying power of the tonnage available.

[1] *Ante*, p. 416.

To secure these objects an international board with complete executive power over a common pool of tonnage had been proposed, but has been rejected for the following reasons:

It would be difficult for any country and particularly for America and Great Britain to delegate absolute power to dispose of its tonnage (which is the basis of all its civilian and military requirements) to a representative or an international board on which he might be outvoted. Such a board moreover would not lead to administrative efficiency partly because the complete control of all tonnage can scarcely be well concentrated in one place and partly because representatives upon it would tend to be at once out of touch with the actual administrative executive machinery and at the same time scarcely invested with sufficient authority to make reductions in the various supply programmes, munitions, food, etc.

The problem of the allocation of tonnage is largely a problem of securing that the different requirements which make demands upon tonnage should be adjusted in the fairest and best way, and these requirements can only be so restricted by the experts in each class of commodities. It is for instance impossible for any except the munitions experts of the different Allied countries to deal with the restriction of the Allied munitions programmes within specified limits.

The Allies are accordingly agreed:

(*a*) That America, France, Italy and Great Britain will all tabulate and make available to each other a statement showing in detail and as nearly as possible in the same form each class of requirements for which tonnage is needed and, secondly, the tonnage now available and likely to be available in the future through new building, etc. These requirements having been classified (showing the source of supply, etc.) and having been adjusted (1) to secure a reasonably uniform standard of adequacy both as between classes of commodities and as between countries, and (2) to bring the total within the carrying capacity of the Allies as a whole, will form the basis on which the general allocation of tonnage will be determined. The calculation will be revised at convenient intervals in the light of losses, new building, war requirements and other factors in the problem; but it will be an essential feature of the scheme that subject to such periodical reallocation each nation shall manage and supervise the tonnage under its control.

(*b*) That the neutral and interned tonnage obtained through any channel and by whatever country shall be used in such a way as to increase by an equal extent the tonnage in direct war services, the extra tonnage being allotted so far as practicable to the most urgent war need of any of the Allies. The method of allocation will be worked out later, but the principle is recognized that it is urgency of

war needs and not the method by which the tonnage has been obtained that is to be the criterion.

(*c*) That steps shall be taken to bring into war services all possible further tonnage, such as that in South America, etc.

(*d*) That control over cargoes carried shall be such as to ensure that they satisfy the most urgent war needs in respect of which the tonnage has been allotted.

To carry out (*a*) and (*b*) above Allied bodies for the different main requirements for food, for munitions and for raw materials will be formed on the model of the Wheat Executive, America being associated with these bodies.

It being necessary in order to obtain decisions by the respective Governments that each country shall designate one or two Ministers—the United States one or two special delegates—who will be responsible towards their respective Governments for the execution of the agreements arrived at and who will meet in conference as Allied representatives as may be necessary from time to time, whether in Paris or in London, according to the circumstances of the case, either on their own motion or at the request of the executive departments, it was resolved that—

> For the purpose of carrying out the common policy above indicated the appropriate Ministers in France, Italy and Great Britain together with representatives of America shall take steps to secure the necessary exchange of information, and coordination of policy and effort, establishing a permanent office and staff for the purpose.

After the review of the present tonnage position and of the efforts being made by the European Allies, it was agreed unanimously by the representatives of America, Great Britain, Italy and France, that the annexed statement should in the name of the Inter-Allied Conference be presented to the American Government as representing the claim which the situation makes upon America so far as regards her participation in the solution of the tonnage problem.

Annexed Statement

1. It is important that America should aim at building at the rate of six million tons gross (that is nine million tons dead-weight) in place of the present programme of six million tons dead-weight per annum.

2. It is important that she should supplement the assistance given to France and Italy by Great Britain by providing at least one-half million tons dead-weight in the immediate future and by raising this figure to an average of at least one and one-fourth million tons.

3. Having regard to the projected military effort of America the foregoing assistance can only be provided if America—

(*a*) Takes every possible step to bring into war service neutral and interned vessels now idle or out of war service;
(*b*) Obtains the maximum assistance from Japan;
(*c*) Reduces her own requirements of imports (e. g., by restricting civilian consumption) and requisitions drastically from her own trade.

4. Great Britain in promising further assistance to the Allies to meet their increased cereal demands, has done so in the hope that America will help with additional tank tonnage to the extent of rendering unnecessary the further uneconomical use of double bottoms in British cargo vessels for oil fuel for the Navy (100,000 tons a month). It is hoped that America will take steps to provide sufficient tank tonnage for this purpose and to meet the deficit in stocks by requisitioning tankers from their present commercial employment, 100,000 tons dead-weight being immediately required and a further 200,000 as soon as possible.

Report of the Representative of the Food Administration (Taylor)

On my arrival in London, I immediately placed myself in touch with Lord Rhondda and the different organizations of the British Government endowed with the responsibility of importation and distribution of foodstuffs.

The organization of food control in Great Britain is different from that in the United States, in that control of consumption came last. The necessity of importation of foodstuffs to as large an extent as three-fourths of the total food supply led early in the war to the formation of import executives, whose function it was to bring in the needed foodstuffs.

The United Kingdom did not at the same time approach the separate problems of securing food supplies and controlling the use of food supplies. The first efforts were devoted entirely to importation. Later on, under the Department of Agriculture, intensive efforts were put forth upon an ambitious production program. Last of all, the office of Food Controller was created a year ago. It was first filled by an entirely incompetent man, Baron Devonport, who was later replaced by the present incumbent, a very competent man, Lord Rhondda.

In the first years of the war, the importation of foodstuffs, especially of cereals, was carried on with no particular reference to France or Italy, since scarcity of tonnage had not yet enforced a unification of efforts of importation. A little over a year ago, the present executives were organized. There are four executives: the Inter-Allied Wheat Executive, the Inter-Allied Sugar Executive, the

Inter-Allied Meat Executive, and the Inter-Allied Executive for Fats and Vegetable Oils. These executives sit permanently in London, France and Italy being represented by members who give their entire time to the work. The positions occupied by these executives are at once very responsible, onerous and also unfortunate. It is their duty on the one hand, having received the estimates of the Food Controllers of the three countries, to search through the world for the purchase of the named food supplies at the lowest prices and under such regulations as the Treasuries of the countries may impose. It is their function, on the other hand, to secure from the chartering executives, the tonnage necessary to carry these foodstuffs to the Allied nations, and to force that priority against the industrial and military needs for tonnage. These obligations to and from both sides have become more and more difficult with each month; and greater restriction in conditions of purchase are imposed by the respective Treasuries upon the several countries, ever since our entrance into the war. With increasing scarcity of tonnage, the priority for shipment of foodstuffs has become more and more difficult, greatly accentuated by the failure of the cereal crops of France and Italy in 1917.

To a certain degree the British Food Controller is subordinate to the executives, to a certain extent, he can command them. There is a certain minimum amount of money and a certain figure for importation which the Food Controller has the pledge of the Prime Minister that he can command. Beyond this point, he is under restraint by the Treasury and by the Chartering Executive, with the Wheat Executive standing as buffer between. It can not be stated that this system is from any point of view logical. It arose as a result of accumulation of circumstances, and, apparently, must be continued, because it is easier to go on with the present procedure than to attempt any radical reconstruction at this time.

It is obvious from this general survey that the representative of the United States Food Administration not only had dealings with Lord Rhondda but also with the Wheat Executive, the Sugar Executive, the Meat Executive and the Fat and Vegetable Oil Executive, since each of these are desirious not merely of importing certain amounts of the respective commodities into their countries, but wish to import the maximum amounts possible from the United States, on account of scarcity of tonnage and to take advantage of loans made by the United States Treasury.

Numerous conferences were held, but the cereal program represented the greatest difficulties. The head of the Wheat Executive, is Sir John Beale, a man of unusual ability. The leading French and Italian representatives are Monnet and Attolico, who also represent their various countries upon the several executives. The program of the Wheat Executive for the years 1917–18 is based upon desires of

the respective peoples, for a normal cereal ration. They did not wish any restriction in consumption or repression in any direction, despite their low crops. It was their hope and desire to continue the normal consumption, as had been the case since the beginning of the war. This was regarded as impossible by the American representative on account of the low yield of wheat in North America in 1917. Numerous conferences held in London were devoted to attempts at solution that should represent a certain degree of control upon consumption by the food authorities of the Allied nations on the one hand, and a certain exportation above the normal exportable surplus by the Food Administration of the United States. Unfortunately, these meetings were held so late as to render the problem very difficult, because practically one-third of the crop year 1917–18 had already elapsed before the necessity of repression had made itself evident to the Food Controllers of the Allied nations. Had the Allied nations continued to receive cereals, especially wheat, from North America to the extent stated in the original shipping program, this would have imposed upon the United States repression in consumption of wheat whose fulfillment could scarcely have been believed possible, and which in any event would have necessitated grave public control. The Allies had also allocated to themselves shipments of cereals from Argentine and India in amounts that it was quite certain they would be unable to lift.

The results of the conferences in London were two weeks later reaffirmed in the general conference in Paris. The Allied nations undertook to introduce such extensions of their rationing systems, upon a compulsory basis, as would materially reduce the consumption of cereals in their respective countries. The United States undertook, on the other hand, such extension in exportation of other cereals than wheat, as would enable the peoples of the Allied nations to submit to their respective peoples a cereal ration that could not be regarded as drastic.

It is with no sense of criticism but merely as record of actual fact that the writer feels constrained to point out that the consideration of the program of cereals required by the Allied nations has from the beginning been dominated by the point of view of importation and distribution, leaving the matter of consumption largely, indeed almost entirely, to the unguided voluntary régime of the people. The British Controller could ration over four-fifths of his people, the French and Italian Controllers about two-fifths, these fractions representing the portions of the respective populations that depended directly for cereals upon imported grains, since it was contended and indeed conceded that the rural populations could not be deprived of their home-grown grains. The several food authorities had not undertaken rationing in bread on account of fear of their working

classes. In Great Britain the labor unions were feared, in France and Italy the munition workers. The psychology of the working classes in these countries had been so distorted by the food blockade propaganda of the press that the natural foundation upon which a reasonable rationing system might have been erected was destroyed. Each month the peoples had been assured that the collapse of Germany through famine was imminent. Now at the end of two years' drastic food blockade of the enemy, the Food Controllers of the Allies were face to face with the necessity of reversing their positions, admitting that the enemy had not been starved out and placing their own peoples on rations, with assurance that such rationing was not in the least deleterious. It was indeed a difficult situation.

In connection with sugar, meats and fats, the problems were much less acute. The present prospects for sugar within the carrying domain of the Allies is apparently equal to, or in excess of, the tonnage. With moderate restriction in the United States, it is clear that the Allies can obtain from Cuba as much sugar as they can possibly haul. Indeed, figures to date indicate definitely that the Allies will not lift the allotments. The Allies' sugar rations are low. They are, however, low largely as an expression of tonnage. In the case of meats and fats, the result of the conservation measures of the United States Food Administration and of the stimulation of production, directed from the White House, the United States Food Administration and the Department of Agriculture at the producing classes, give promise to result in material increase in the supplies of meats and fats, both of animal and vegetable origin. Under the circumstances, it seems clear that the desire of the Allies to ship as large a portion of their meats and fats from America as against the Argentine, the Orient and Australia may be gratified, with consequent saving of tonnage that runs into large figures. This is of particular importance to the agriculture of the United States, because it is especially in the direction of production of meats and fats that stimulation results in increased production, since the processes of production are continuous, and not seasonable as in the case of cereals.

In the numerous negotiations held with executives devoted to sugar, fats and oils, the same point of view was evident that was noted in the conferences with the Wheat Executive. Everywhere the point of view was that of the importer, shipper and distributor. The point of food administration from the standpoint of the consumer in the direction of conservation was always far in the background.

A study was made in London of the results of the voluntary rationing system. This has led in the United Kingdom to very light results in conservation. What was saved by certain classes was more than consumed in the increased victualization of other

classes; the result of the unusual prosperity due to high wages. There had been reduced consumption of imported meats with increased consumption of domestic meats; this not unwelcome, since it was necessary to reduce the count of domestic animals in order to economize upon the importation of feeding stuffs. There was marked reduction in the consumption of the sugar, and only a moderate consumption of fats, both the expression of stringency in tonnage, since all of the sugar flows through the hands of the Food Controller, and most of the fat is likewise so distributed. In the case of cereals, the total consumption, as applied to the United Kingdom, had risen 5 per cent. England itself had a large potato crop. Attempts were under way to utilize the excess of these by control and through conservation. A campaign for the increased consumption of potatoes had been undertaken, but had not led to satisfactory results.

The hotels and public eating houses were under legally defined restrictions. The serving of bread, butter, bacon, ham and beef were distinctly limited, and wherever one went these regulations were, apparently, observed. There was no limitation in the serving of fruits, such as were available, vegetables, fish or seafood. There was definite limitation in the serving of desserts made of flour, sugar and butter. All in all, one could not fail to be impressed with the fact that the hotels were attempting to follow in a faithful manner the regulations imposed upon them. It was at the same time clear that the regulations were not sufficiently definite to result in notable conservation.

Elimination of waste, recovery of garbage and utilization of garbage through reduction processes have all been greatly perfected in England during the past year. When the writer contrasts the situation observed in November, 1917, with that of 1916, the great progress that had been made was clearly evident, in every direction.

The impending step of the food authorities lies in the direction of repression, like that imposed upon the people of Germany by the food blockade, although it need not approach it in rigor. In the opinion of the writer, if the mean food consumption of the United Kingdom and the mean food consumption of Germany be compared, and the situation contrasted with the visible supplies for the United Kingdom until the on-coming of the new harvest, it ought to be possible to allow a ration that shall represent about half the distance between the normal British ration and the ration of the industrial classes of Germany during the past year and a half.

The stocks in England have run somewhat low, and with the continuation of depleted tonnage it is possible that the stocks may become so low prior to the entrance of the new crop as to cause serious suffering in certain classes. This suffering will not be of such

nature as to cause sub-nutrition, but it is possible that it may be of such danger as to cause official unrest, serious outbreaks and uprisings. The great congestion of population in the cities makes equitable distribution very difficult. It is easily possible that added severity in the sinking by submarines, or added efficiency in the warfare against submarines might prove the decisive factor in the maintenance of national victualment in England, France and Italy during the coming months of summer prior to the harvesting of the new crop.

It is the conviction of the writer that the morale of the British people has distinctly improved in its relation to the Food Administration as compared with that of a year ago. It is the opinion of competent judges in the United Kingdom that the British working classes will tolerate to-day regulations and restrictions of food supplies that they would have resented, or indeed rebelled at, one year ago. This is true, partly to a deepened realization of the necessities of the situation, partly to increased confidence in leadership, and partly to a strengthened conviction as to the meaning of the war and the necessity of ultimate victory.

In Paris, two sessions of the Inter-Allied Conference devoted to problems of revictualment. These were devoted largely to the cereal program for the present year. Lord Rhondda, Sir John Beale, the French Food Administrator, M. Boret, the Sub-Director of Food Control, M. Vilgrain, the French delegates upon the permanent executives in London, the Italian Food Controller, Crespi, and the Italian members of the permanent executives were all present at this Paris conference. The discussions, therefore, involved the same problems, with the added viewpoint of the officials of France and Italy. The appended statement represents the substance of the address made before the revictualment section of the Inter-Allied Conference by the American representative.[1]

In this conference the particular needs of the French and Italian people were analyzed and evaluated. Not only were the crops of these countries a failure, they were also unfortunately spotted. Certain areas scarcely recovered their seeds, other areas had eaten during the first three months the entire crop in excess of the seed. It is very difficult in France and Italy to move home-grown corn from one section to another.

In every direction the difficulties of agriculture had become more and more pronounced. The fact was emphasized that the French and Italian people were more dependent upon cereals than is the case in the United Kingdom and the United States, and that a material reduction of the bread ration in these countries would con-

[1] Not printed.

stitute a more serious infraction than would be the case in England and the United States. On the other hand, it was freely conceded that no serious attempts had been made at food control or conservation. They had relied upon the natural instinct and thrift of the people to maintain consumption at a low level. It was, however, granted that this was not sufficient under the evil of the day and that rationing would become necessary. Rationing of sugar was already in existence in France and Italy, and the rations were low.

The morale of France is known to be much improved. That of Italy had reached a low plane, but due to their adversities and misfortunes, it had been improved. The total situation in Italy gave a morale of desperation if not one of hope. There was indeed great clarity of the political atmosphere, which resulted in increased confidence in the leadership in these countries, both from the standpoint of military policy, political control and industrial organization. Crop prospects are very much superior to those of last year, and with the development of the season will tend to maintain the morale that would scarcely otherwise be justified by actual condition of resources and stocks of food in Italy and France.

One point stood out very clear in the discussions in Paris, of which some mention must be made, the lack of co-ordination between the authorities of the three nations. Apparently, they do not trust each other. At least, they do not desire to assume before their own peoples repression in consumption, because they have not the conviction that the administrations of the other two countries are undertaking the same measures. From every side it was clear that the co-ordination and leadership are lacking, could not arise in any one of the three countries and had to proceed from the United States. Anomalous and paradoxical as it may appear, the Food Administrations of the three countries look upon the Food Administration of the United States in an entirely different manner than they regard each other. Under these circumstances, the motion by the American delegate at the conference in Paris for the creation of the Inter-Allied Commission on Alimentation was promptly passed as an expression of the desires of all concerned.

This commission is to consist of eight authorities on nutrition; two from the United Kingdom, two from France, two from Italy and two from the United States. They will sit more or less continuously in Paris, although devoting time to the different countries for investigation of conditions. It is the purpose of the commission to make recommendations to their respective Governments as to operations of revictualment that shall apply to feeding the Allies as a unit. This commission will have not only a definite function in correlation of efforts of food control in the three countries; it will

have the additional advantage of a scientific point of view. The Food Administrations of England, France and Italy have been practically devoid of scientific point of view. They have developed out of the administration of importations, and have not had the impress nor received the advantage of a clear-cut scientific formulation of the problem. Strange as it may seem, scientists in the United Kingdom, France and Italy will in this Inter-Allied Commission on Alimentation possess for the first time proper opportunity of impressing their viewpoint upon the food authorities of their own countries. The American members upon this commission will be Prof. Russell H. Chittenden of Yale University and Prof. Graham Lusk of Cornell. With the entrance of this commission upon its labors, one of the accomplishments of the Paris conference will have reached fruition.

One additional result of the visit of the representative of the United States Food Administration at this time lies in the greater influence that now exists for the European representative of the Food Administration. Mr. L. P. Sheldon, who was at that time representing Mr. Hoover, a man of wide business experience, long European residence, force, intelligence and integrity in the American point of view, had prior to his attending the conferences on food in London and Paris extending nearly two months, not possessed the grasp on the situation that was necessary for the proper representation of the United States Food Administration in London. This knowledge and experience, Mr. Sheldon now possesses. He has been entrusted also with representation of the War Trade Board, whose affairs are in so many ways interlocked with the Food Administration. We now possess a representative whose knowledge, dignity and influence is worthy of the Food Administration and will result in accomplishments of very material denominations. The absence of a representative of the Food Administration in Paris was felt to be a serious omission.

It is a very great pleasure to testify to the esteem enjoyed by Mr. Herbert C. Hoover in the mind of everyone in the United Kingdom, France and Italy. Expressions from every class of society in every direction and of public officials everywhere testify not only to confidence in the integrity of the administrator, but also to confidence in his ability and humanitarian sympathy. Europe remembers the Hoover of Belgium and sees in the United States Food Administration merely an enlarged edition of the same masterpiece.

The writer takes great pleasure in acknowledging the broad consideration displayed by Ambassador House to the members of his mission. In conferring upon his associates authority and responsi-

bility in the conduct of their special negotiations with their Allied conferees, he at once placed them upon the correct plane of high dignity in the estimation of the authorities of the Allied countries, and secured from them the highest manifestation of their capacities.

It is also incumbent upon the writer to testify also to the faith and confidence felt in the Allied nations that the people of the United States are not only willing, but will be found capable of such sacrifice as may be necessary in order to maintain the revictualment of the Allies. The Allies realize that for the men on the street or on the farm to visualize the war from a distance of three to six thousand miles from No Man's Land is difficult. They believe in the idealism of the American people; in their strength of determination, and in their love of liberty; and upon this they ground their faith in the ultimate capacity of the American people to carry whatsoever burdens war may impose upon them, and none the least of these, the burden of extensive modification of the dietary of the people of the United States in order that the subsistence of the Allies at the front may be maintained.

ALONZO ENGLEBERT TAYLOR

Report of the Representative of the War Industries Board (Perkins)

My instructions were to learn what I could of and from the British and French Munition organizations, and to insist that demands made on the United States by the Allies should be properly co-ordinated in Europe.

[ENGLAND]

We arrived in London late at night, Wednesday, November 7. Acting upon instructions from you, I asked the American Ambassador to put me in touch with Mr. Churchill, the British Minister of Munitions. My appointment with Mr. Churchill was at 12.45 p.m. on November 8. I met Mr. Churchill, Sir L. Worthington Evans, Sir Arthur Duckham and Sir James Stevenson. Mr. Churchill told me that he would place at my disposal all the information in the Ministry of Munitions, and that after I had had a few days' study of the situation he should like to confer with me at some length. He cordially agreed with the view that the demands of the Allies on America must be co-ordinated in Europe; that America must be the arbiter of what must be supplied from America, and hoped that America's requirements and the requirements of the Allies could be co-ordinated so that the most effective results possible might be obtained.

Mr. Churchill fully lived up to his promise to place at my disposal all the information at the Ministry of Munitions. Mr. Burgess, who came with me representing Doctor Ayres' statistical department, was introduced at once to Mr. Layton, the head of the statistical department of the Ministry, and he found, as I found, everyone willing to give every possible assistance in getting all the facts and figures, even the most confidential, in the possession of the Ministry.

We also were able to make some study of the organization of the Admiralty and the War Office.

The situation as it now exists in England is the result of development from the system as it existed before the war.

Before the war the Army and Navy each had supply departments whose function it was to supply the needs of their respective services, the Admiralty having a supply organization whose duty it was to meet the requirements of the Navy, and the War Office having a department whose duty it was to fill the requirements of the Army. The Navy had been much the larger service, and in spite of the great increase which has taken place in the British Navy since the outbreak of the war, the proportionate increase has been nothing like as large as the increase in the Army, and the supply department of the Navy has been able to a large extent to supply the requirements of the Navy, and to a large extent it still attends to this work.

The organization of the War Office, however, proved entirely inadequate to deal with the enormous problems which resulted from the great and rapid expansion of the Army, and the Ministry of Munitions was formed initially to supply certain specific articles for the Army. From a comparatively small beginning it has grown until now it supplies the requirements of the Army for munitions of all sorts and aircraft construction and supplies. The supply department of the War Office deals with all clothing, leather goods and food supplies. Theoretically the Admiralty continues to supply the Navy.

The situation then is that the duty of supplying the Army is dealt with by the Ministry of Munitions and the War Office, the Ministry of Munitions supplying what roughly may be called hard materials, and the War Office supplying soft materials. The Admiralty itself supplies the Navy. The Admiralty also has complete charge over the building of ships of every kind, whether naval ships or commercial ships. The situation as thus outlined is modified to some extent by the fact that the development of the work has resulted in one or the other of the supply departments getting control of certain raw materials or manufacturing capacity. For instance, the War Office controls wool, the Ministry of Munitions steel and copper and

a large part of the gun and shell manufacturing capacity, consequently the Admiralty has to get wool for its clothing from the War Office, and steel and some guns and shells from the Ministry.

The function of the Ministry of Munitions, the supply department of the War Office, and the supply department of the Admiralty, is a supply function purely and simply, neither the Ministry of Munitions nor the supply department of the Admiralty or of the War Office have anything to do with the creating of requirements, or, to put it in another way, the formulating of demand. It is important that this line of distinction should be borne in mind.

The formulating of demand is done ultimately by the War Cabinet. That is to say, the heads of the respective services determine upon the program which they wish to carry out. This program is passed upon by the War Cabinet and approved, thus in effect establishing a budget. The Priorities Committee of the War Cabinet, at the head of which is General Smuts, then determines the relative urgency of the several items of the program, so that after the program has been approved by the War Cabinet and passed upon by the Priorities Committee of the War Cabinet, the demand for the services is formulated and the order in which that demand is to be filled is determined.

The duty of the Ministry of Munitions is to fill those requirements of the Army thus formulated, which fall within its sphere of activity.

The organization of the Ministry of Munitions I shall not attempt to go into in detail in this report. The general outline is as follows: The Minister of Munitions is the head of the organization. He is president of the Munitions Council. He has two vice presidents and a secretary of the council. There are in addition to the two vice presidents, eleven members of the council for the following named departments: design; steel and iron; materials; explosives; projectiles; guns; engines; allies; labor; and secretariat, the head of the secretariat department being also secretary of the council. This council settles the general policy of the Ministry, and each member of the council has under him a group of sub-departments, each of which in turn has a man at the head of it.

The method of operation is as follows: All requisitions enter the Ministry through the department of requirements and statistics, which is a sub-department of the secretariat, and at this point are subjected to a careful statistical supervision to see whether they can be filled with existing facilities, and how they should be filled, and what the effect will be upon the available sources of supply and manufacturing capacity. If the requirement is one which can be

filled with existing supplies and manufacturing capacity, without throwing the schedule out of equilibrium, the requirement is passed on from the department of requirements and statistics to the appropriate supply department, where the order is filled in due course.

If the requirement is one which cannot be filled with the available sources of supply and manufacturing capacity, it is sent back by the department of requirements and statistics to the department of the Army which issued the requisition, where it is reconsidered in the light of the criticism made by the department of requirements and statistics. There the importance of the requirement is reconsidered, the possibility of a substitute is considered, and the requirement after such consideration is sent back again to the department of requirements and statistics, either as amended or in its original form as is determined by the appropriate branch of the service. The question, if a serious one, is taken to the War Cabinet for final determination.

If the requirement, when it comes back to the department of requirements and statistics, has been amended so that it is one which can be filled in the normal course, it is sent to the appropriate supply department to be filled as described above.

If, on the other hand, the requirement as it finally comes in calls for the creation of new or additional facilities, a careful study of the best means of creating such facilities is made by the supply departments. The existing plants capable of manufacturing the article in question are considered in the light of other demands upon their facilities, of their transportation facilities, of their danger from aircraft attack, and of their accessibility to existing supplies of raw material and to available supplies of labor and the possibilities of housing labor. The question whether the addition shall be made to an existing private concern or to a nationally owned concern, or whether new construction shall be made by an existing private concern or a new national factory installed, is also considered. These questions being determined by committees of the departments interested, or, if they are unable to decide, by the Munitions Council, or by the Minister, or in extreme cases even by the War Cabinet, work is put in process.

After each requirement has been received by the appropriate supply department, whether such requirement be a routine requirement or an extraordinary requirement, the supply department makes an estimate of the amount of material and manufacturing capacity which will be needed to fill the requirement. This estimate is sent back to the department of requirements and statistics, where it is checked against the available supplies of raw material and capacity, and criticized. If the department of requirements and statistics

approves the estimate, the work is put in process; if it disapproves the estimate the same course is followed as in the case of an original objection by the department of requirements and statistics.

Before any work is finally allotted to any private concern, whether it be an ordinary routine requirement or an exceptional requirement such as I have just described, the question is submitted to the contracts department, which examines the proposed arrangement, sees that the contract is in proper form, and that the price at which the work is to be contracted for is reasonable. The contracts department does not actually trade out the price, but subjects the contract to a financial examination to see whether it is reasonable or not.

The Ministry has adopted a plan of limiting the percentage of profit of all private concerns engaged upon work for it, the scale being 4 per cent on the first £1,000,000, 3 per cent on the second £1,000,000, and 2½ per cent on all above. This plan is said to work well.

All work when completed in the factory passes into what is known as inspection bond, from which it is not released until it has been inspected by the inspection department. The inspection department is a sub-department under the main department of design, and is independent of any of the supply departments. When passed by the inspection department the articles may be delivered at once to the Army, by which they may be stored either in England or in France, or may go into storage controlled by the Ministry. This matter is largely decided by the urgency of the necessity for the article, transportation facilities, and available storage facilities.

The order in which requirements shall be filled is determined primarily by the Priorities Committee of the War Council, which as stated above determines the relative urgency of the several programs. Bulk orders when placed are given their respective priority by inter-departmental agreement, allocating raw materials or manufacturing capacity; the inter-departmental agreements being based on the rulings of the Priorities Committee of the War Cabinet.

After disposing of the large or bulk orders, however, there are left a large number of priority questions to be determined. These questions are determined by the priority department, which consists of (1) an executive branch, and (2) a priority committee. The executive branch is presided over by Mr. Edgar Jones, Controller of Priority. He has his staff divided into sections, each of which has charge of questions involving separate subject-matters. The questions which come in are turned over to the head of the appropriate sub-section, who makes a study of the questions and a report. These reports are considered by Mr. Jones, or his deputy, and the appropriate priority determined upon. These determinations are then embodied in the form of agenda for consideration by the

priority committee, and are in several classes. Routine questions, the answer to which is practically determined by rulings that have been made before, are all put in one class, and these, while theoretically subject to revision by the priority committee, in effect are passed without examination by the committee, and go through as a matter of course. Questions about which Mr. Jones or his deputy feel doubt are in the second class, and may be brought up for discussion at the meeting by any member. Questions of this class are passed as a matter of course unless a question is raised by some member of the committee at the meeting. The other class of questions are those which Mr. Jones thinks should be considered by the committee, and these are discussed at the meeting and decided by the committee. Agenda for each day's meeting are sent to the members of the committee the night before.

All decisions of the committee are unanimous, no orders being passed except by unanimous consent, and the committee is composed of representatives of the several departments of the Ministry, a representative of the Admiralty, and a representative of the Board of Trade, who undertakes to speak for the commercial needs of the country.

The contractor to whom a Government contract is let may issue certificates bearing his contract reference and number, or a contractor who has received a priority certificate may issue a certificate based on the one he receives to any sub-contractor or material man with whom he may deal. This has resulted, in some cases, in the issue by unscrupulous persons of duplicate sub-certificates and sub-certificates which were not warranted by any orders placed by the Ministry. There have been, however, a number of prosecutions for this, and although the idea of issuing certificates to sub-contractors direct from the priority division has been considered, the Ministry of Munitions have always been afraid that the effect would be to seriously handicap the progress of all industry, and that it is better not to try the independent sub-certificate.

One defect with their system that has bothered the priority people up to this time, has been that no adequate provision has been made for enabling a contractor to keep on hand a supply of the materials which it is necessary that he should have to enable him to do promptly any work that he may be called upon to do. The system which enables him to issue a certificate for his materials of the same class as the certificate issued to him for his main contract, leaves him without any means to procure supplies until the contract is actually placed with him. Mr. Jones was, when we were in London, just putting into effect a plan by which recognized contractors would be enabled to procure supplies under certain safeguards as to the use of those supplies, which he hoped would solve this problem.

AREA ORGANIZATION

In dealing with the organization of industries in England, the Ministry of Munitions divided the country into separate districts or areas, and organized each of these areas as a unit, all being co-ordinated through the central organization. This area organization has proved to be one of the most valuable points in accomplishing a complete and effective mobilization of industrial resources.

The result of the war and the development of the Ministry of Munitions has been to turn Great Britain very completely into a large manufacturing establishment which is engaged in war work, direct and indirect. The process has been one of growth, and the result has been brought about by the gradual occupation of all manufacturing facilities with war work, and the taking control by the Government of certain essential raw materials in which a shortage has developed. I did not get, while in London, a list of the industries which have proved to be essential. I have been promised such a list, which I hope to receive on my arrival in Washington.

I have a number of forms in use by the Ministry of Munitions, and detail descriptions of certain branches of the organization, which will I think prove of value to the War Industries Board, but would be too much in detail to be in place in this report.

I was very much struck by the excellent spirit of co-ordination which exists in the Ministry of Munitions, and by the quality of the men in the several departments. Every man was clearly actuated by the one motive of doing everything possible to accomplish the common end. I was met in the same spirit, and every bit of information was open to me, the only limitation being my capacity to absorb what was put before me in the time at my disposal.

Perhaps the most striking thing next to the quality of the men and the way in which everyone was doing his best to pull his share of the load, was the completeness of the statistical organization and the fact that the whole work of the country is based upon intelligent statistical knowledge.

WAR OFFICE

My study of the organization of the War Office was limited by the time at my disposal.

After ascertaining from General Bliss that it would be entirely agreeable to him to have me go to the War Office through the Ministry of Munitions, I asked Mr. George M. Booth, to whom I am deeply indebted for many courtesies, to arrange an appointment for me with the officials at the War Office.

Mr. Booth introduced me to Sir Reginald Brade, the Secretary of the War Office. He in turn took me to Mr. Andrew Weir, the Surveyor-General of Supplies, and his assistant, Mr. J. T. Currie. They

explained to me the organization of their department, which is not essentially different from that of the Ministry. I went with them to their contract department and met the heads of the several sub-departments, and had a long talk with Capt. Claud Levita, who has been put in charge of the newly organized American section.

Captain Levita and Mr. Weir impressed upon me their entire readiness to place at the disposal of the American Army all the facilities which they had, at the cost to them, so that our Army could get what it needs from them so far as they had supplies available, at the same price that they got the articles themselves. When in France I took occasion to call this fact to the attention of our Army purchasing department.

The next day Mr. Weir took me to see the Army clothing factory and storehouse at Pimlico.

There is no matter connected with the study I was able to make of the War Office organization which requires comment, except the fact that having two supply departments for the Army results in a certain amount of overlapping that is obviously not an advantage. The disadvantage is reduced to a minimum by the excellent spirit of co-operation between the men in charge, but it is a disadvantage just the same.

ADMIRALTY

The time at my disposal was so short as to make impossible any study of the Admiralty that could properly be called a study. I had a short conference with Sir Eric Geddes, First Lord of the Admiralty, and was shown by him his system of statistical reports, and discussed with him the whole question of organization. He is very familiar with the Ministry of Munitions, having worked in the Ministry. He also had been in charge of railway transportation in France. He was of opinion that the best results could be obtained through one big supply department for both services.

The organization of the Admiralty supply department does not differ essentially from that of the Ministry of Munitions.

In addition to making a study of the several supply departments as above outlined, I attended expressly without any authority to act, an inter-Allied conference at which the question of the world's supply of wolfram was discussed. At this conference, and at a later conference in Paris, the desirability of joint action in the purchase of wolfram and in distribution of the world's supplies in such a way as to economize ocean tonnage, was made manifest.

I also took up with Sir Alfred Herbert, the head of the machine tools department of the Ministry of Munitions, several questions in regard to the machine tools which must be purchased in America to enable the British program to be carried out.

France

We arrived in Paris, Thursday, November 22, in the evening.

In France my time was quite completely occupied in conferences in regard to munitions questions with the representatives of the several Allied nations, and in working with our own Army officers over general questions of organization and certain concrete questions of supply and program. As a result, my opportunity to study the French Ministry of Munitions was comparatively slight.

M. Loucheur, the French Minister of Munitions, showed real ability throughout all the proceedings in Paris, and was most courteous and helpful in every way. I owe a special debt of gratitude to M. Ganne, who was with M. Tardieu in the United States. M. Ganne placed himself at my disposal, and by his knowledge of conditions in France and in America made my work much easier than it would have been but for his kindness.

It developed early in our conferences that the French and British were in a position and were willing to equip completely all American divisions as they arrived in France during the year 1918 with the best marks of British and French guns and howitzers. That the British and French ammunition supplies and reserves are sufficient to provide the requirements of the American Army thus equipped, at least up to June, 1918, provided that the existing 6-inch shell plants in the United States and Canada are maintained in full activity, and provided that the manufacture of 6-inch howitzer carriages in the United States is to some extent developed.

On the other hand the French, and to a lesser extent the British, require as soon as possible large supplies of propellant and high explosive, and the British require the largest possible production of 6-inch shells from now onward, and 8-inch and 9.2-inch shells from June onward. In both these matters they ask the assistance of the United States.

This situation in regard to guns and gun ammunition was worked out in detail by General Williams of our Ordnance Department and myself, in co-operation with the representatives of the British and French Ministries of Munitions and the British Master-General of Ordnance, and our conclusions were embodied in a draft of a telegram which was submitted to General Bliss and General Pershing and embodied in a telegram sent by General Bliss to the Secretary of War. The portion of the telegram dealing with this matter is annexed hereto.[1]

I attended a conference at which there were present the British Minister of Munitions; Sir William Weir, the head of the aircraft department of the British Ministry of Munitions; and other British

[1] Not printed.

aviation experts; M. Dumesnil, the French Minister of Aviation, such Ministry being a sub-department of the French Ministry of Munitions; and a number of French aviation experts; the Italian aviation experts; and Colonel Bolling and several other representatives of our aviation department. At this conference it developed that for a certain period during 1918 the actually completed airplanes for use upon the fronts will have to be manufactured in Great Britain, France and Italy, and our contribution for this period must of necessity be the supplying of raw materials and semi-manufactured materials. The French advocated the organization of a technical conference to sit in Paris to deal with the entire aviation program. The American representatives took the position that the time for a technical conference had passed. Colonel Bolling pointed out that five months ago he had advocated such a conference, but that now the time for action had arrived and certain practical questions must be decided at once and a definite program decided upon, and the American representatives took the further position that in contributing raw materials to the aviation program America had got to assume the position of arbiter as to the use to which those raw materials should be put; that certain types of machines should be selected and that the raw materials should all be used for those types; and that no materials should be wasted upon experimentation. In this position the British representatives supported us completely, and before I left Paris I was informed that it had been determined that Colonel Bolling should sit as chairman of an inter-Allied council upon airplane supplies. Colonel Bolling informed me that he hoped to have sent to America a telegram which would reach America before I did, giving in detail the aviation program. For this program it was agreed that effective priority should be granted.

I also attended a conference of the British, French and American representatives in regard to a tank program, at which it was decided that the French should limit their construction of tanks to the small six-ton Renault type of tank, and the British and Americans should consolidate upon the manufacture of the larger size tanks. A plan was worked out between Major Drain of the Ordnance Department of our Army, and Colonel Stern, the British Tank Commissioner, for the establishment of an assembling plant at Bordeaux, or some other satisfactory site in France. The plan as worked out was considered by the French Ministry of Munitions and approved. Major Drain and I worked out a draft of a telegram which was submitted to General Bliss and General Pershing, approved by them, and sent by General Bliss to the Secretary of War. A copy of this telegram is annexed hereto.[1]

[1] Not printed.

A set of resolutions were adopted by the munitions representatives at the Inter-Allied Conference of Great Britain, France, Italy and the United States, which resolutions were expressly subject to approval by the several Governments. A copy of these resolutions is to be annexed hereto.

I was deeply impressed with the size and difficulty of the problem of supplying our Army with its many needs. Some of these needs can be filled from European sources. As many of these needs as possible should be filled from European sources so that the demands upon ocean tonnage may be reduced to a minimum. Serious efforts are being made to solve this problem by the staff that General Pershing now has. The solution is as yet far from complete, and every possible effort should be made to lend General Pershing all possible assistance in this matter.

My conclusions, briefly stated, are as follows:

The situation of the war is extremely critical. Not only for the purpose of defeating the enemy, but to avoid disaster to ourselves and the Allies it is necessary that the United States should make a supreme and immediate effort.

There is no time for the United States to prepare what seems to it an ideal program for its Army, which program will materialize at some more or less distant date. Our efforts must be immediate and effective. To accomplish this it is necessary that there be intelligent co-ordination with the efforts of the Allies so that the greatest possible supplies of men and materials shall be available early in the spring of 1918. The materials and manufacturing capacity of the several countries must be used in a united effort to a common end.

To accomplish the necessary co-ordination there must be first, a body (a council or an individual) whose function it is to determine the program, or, to put it in another way, to formulate the common demand.

There are now in France and Great Britain bodies whose duties are to fill the several demands of their respective services. The demands are not now fully co-ordinated, and the work of supplying the demands is to a large extent unco-ordinated. Both countries, and Italy as well, have been using the United States as a reservoir to make up the shortages in their own resources.

The United States should at once organize a supply department, preferably a munitions department or ministry, with complete statutory powers; or, failing that, a board acting with delegated powers from the heads of the several services.

This supply department should be charged with the duty of filling the requirements of the several services of our own Government, and the requirements of the Allies.

This supply department should have the best possible man at its head, and the best organizing and executive ability in the country on its staff. It should organize the industrial resources of the country.

This supply department should have a man of first-rate ability in Europe, who should act in a sense as a member of Mr. Crosby's staff to keep Mr. Crosby, as chairman of the Inter-Allied Council, thoroughly in touch with munitions questions, and who should also sit on the Inter-Allied Munitions Council referred to in the resolutions adopted by the munitions committee of the Inter-Allied Conference, if such Munitions Council is approved by our Government, as I recommend it should be. This European representative of the supply department should have an adequate staff of assistants.

In this way, and only in this way, can the efforts of the several countries be co-ordinated, their resources used effectively, and demands on tonnage reduced to a minimum.

In everything that we do in America we must bear in mind that there is a certain irreducible minimum of supplies which must be received by Great Britain, France and Italy to enable them to hold the enemy until the time when our own efforts can culminate. Our entire effort and program must be made in view of this fact, and these supplies must be given sufficient priority to ensure their being received by the several countries in question.

Respectfully submitted,

THOMAS N. PERKINS

December 11, 1917.

[Annex]

CONCLUSIONS OF THE CONFERENCES OF DECEMBER 1

(ARMAMENT)

I

The representatives of Great Britain and France declare that their output of field artillery, heavy ordnance and medium calibre guns is now mounted so that they are now able fully to equip as fast as they arrive in France all the American divisions during the year 1918 and to supply them with the best types of French and English guns and howitzers. The output and available stocks of French and English ammunition are sufficient to supply the American Army with all that it will need until the month of June if not later, provided that the plants in the United States and Canada for 6-inch shells are kept running to their full capacity and that some progress is made in the United States in manufacturing carriages for 6-inch howitzers.

On the other hand France, Italy and in a lesser degree England, must get as soon as possible large quantities of powder and explosives, and Great Britain must get the largest possible number of 6-inch shells beginning to-day and of 8-inch and 9.2-inch shells beginning in June, 1918.

On these two points they call for American assistance. Therefore, with a view to—

1. Establishing and facilitating the equipment of the American Armies in France;
2. Obtaining, in the end, the maximum development in munition supplies together with a minimum need of tonnage, the representatives of France and Great Britain propose that the field artillery, heavy ordnance and medium calibre guns be furnished during the year 1918 and as long thereafter as may be found expedient, to the Americans by the French and English gun factories.

They ask:

(*a*) That the American effort be immediately bent on producing the largest possible quantity of powder and explosives;
(*b*) That the plants already set up for the manufacture in the United States of 6.8-inch and 9.2-inch shells intended for Great Britain keep on working to their full capacity: Great Britain even asks that new and large plants for that kind of manufacture be set up without delay.

By this means only will it be possible to bring to a minimum the difficulties of ocean transportation and to carry to its maximum in 1918 and even more so in 1919 the possible output of shells and artillery supplies for the French, English and American Armies.

With respect to very heavy ordnance and certain special types of long-range guns, the representatives of Italy, France and Great Britain recommend that their manufacture be provided for in full accordance with their arrangements. They further think that the present output of material and 8-inch and 9.2-inch shells now being done in America must be kept up.

Finally, if the general principles hereinabove outlined meet with the approval of the Governments the measures to be taken as to manufacture and supply in accordance with the programs and schedules of stores on exact dates must be looked into jointly by the technical commission consisting of representatives of the great powers as hereinbefore set forth.

II

The representatives of Great Britain, Italy and France declare that the Commanders in Chief of the Armies of those nations have most earnestly laid stress the development of the manufactures for air navigation should be given [*sic*].

Therefore, the Governments of the three countries have decided that all manufactures of airships should be given preference in regard to supplies of raw material as well as labor and transportation. They deem it advisable to call the attention of the representative of the American Government to this suggestion of the Commanders in Chief in order that he may make the same recommendation to General Pershing and have no doubt that this opinion will be concurred in.

In that event, the four nations must agree that effective preference be given for a certain period to the manufactures for air navigation.

With respect to the United States the three Governments ask that during the period immediately following the conference the said preference be given to the orders placed in that country for raw material (steel, lumber, etc.) necessary for the working out of the present programs in Great Britain, Italy and France.

A technical conference which will meet immediately after the adjournment of the official conference will communicate to the American representatives the programs of the three nations and will at the same time state with greater precision what shipments must be rushed in order to carry on the air navigation program.

III

The representatives of the four nations have recognized the necessity of apportioning the manufactures in accordance with the facilities of production peculiar to each.

It is imperative that all the nations should not exert their efforts at the same time on one product, but that the guide in selecting the production to be effected in any one country should always be the consideration of lesser tonnage and of availability of more or less skilled labor.

IV

In accordance with this suggestion the representatives of the nations have given their attention to the two following specific instances:

1. Manufacture of aviation motors in Italy

It was found very desirable to let Italy give its greatest possible development to the manufacture of aviation motors which requires a comparatively unimportant quantity of raw material and justifies a judicious employment of its plants and other energies.

They note that if provided regularly with the needed raw material and also with the coal it must have Italy will be able

to increase its manufacture of motors from 800 to 3,000 a month by June, 1918, and eventually to 5,000 by the end of 1918.

A large part of these motors would be set apart for the Allies.

2. Tanks

An organization in which all the Allies would join could be effected in the manufacture of tanks.

England has set up a new type. It can supply a part of the machined material. Assistance could be had from America and also from France and Italy eventually.

The mounting could be done in France at a plant in St. Nazaire or Bordeaux.

This plan would at once permit of a larger output and a national employment of the facilities of each nation.

The tanks so made would be distributed according to the share taken by each nation in the work of all.

It is likewise agreed that a technical conference on this point will meet immediately after the official conference adjourns.

To meet the situation in Italy an effort will be made to fix a special allowance.

V

It is noted that Great Britain and France already communicate to each other all their manufacture programs and statements of output and stocks in hand (armament and aviation).

All that information is centered in a bureau of statistics at the Ministry of Armament in Paris.

The three Governments ask the American Government kindly to communicate the same kind of information to the bureau of statistics.

Finally the representatives of the four nations suggest the creating of a Permanent Committee on Munitions and Aviation that will sit in Paris and be, as far as possible, composed of a representative from the Ministry of every nation as to armament and ammunition and a representative from the Ministry if possible, as to the manufacture of aviation material.

Each representative may be assisted by technical delegates.

The Permanent Committee will meet at least once a month.

A permanent section may even be created within the committee.

VI

The applications of Italy and Great Britain and France in the matter of ordnance, guns, machine guns, and all artillery raw material and manufactures are confirmed by it.

The President's Address to Congress, December 4, Recommending the Declaration of a State of War with Austria-Hungary—The Policy of the United States Regarding Turkey and Bulgaria

File No. 763.72/8002a

The Secretary of State to the Ambassador in Italy (Page)

[Telegram]

WASHINGTON, *December 4, 1917.*

993. President appeared before joint session of the two Houses of Congress to-day and read an address in the course of which he took up our relations with Austria-Hungary. He said in part:[1]

One very embarrassing obstacle that stands in our way is that we are at war with Germany but not with her allies. I therefore very earnestly recommend that the Congress immediately declare the United States in a state of war with Austria-Hungary. Does it seem strange to you that this should be the conclusion of the argument I have just addressed to you? It is not. It is in fact the inevitable logic of what I have said. Austria-Hungary is for the time being not her own mistress but simply the vassal of the German Government. We must face the facts as they are and act upon them without sentiment in this stern business. The Government of Austria-Hungary is not acting upon its own initiative or in response to the wishes and feelings of its own peoples but as the instrument of another nation. We must meet its force with our own and regard the Central powers as but one. The war can be successfully conducted in no other way. The same logic would lead also to a declaration of war against Turkey and Bulgaria. They also are the tools of Germany. But they are mere tools and do not yet stand in the direct path of our necessary action. We shall go wherever the necessities of this war carry us, but it seems to me that we should go only where immediate and practical considerations lead us and not heed any others.

LANSING

File No. 761.00/12

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *December 4, 1917, 5 p. m.*
[Received December 5, 4.53 a. m.]

1110. Your 427.[2] Sands[3] has copies of Petrograd Embassy's translations of published confidential correspondence originals of which have been delayed in transit. Too voluminous for telegraphic transmission but will telegraph correspondence if desired. They cover in general following points:

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[1] Full text in *Foreign Relations*, 1917, pp. ix–xvi.
[2] *Ante*, p. 327.
[3] William F. Sands, former Special Assistant in the Embassy at Petrograd.

(1) Distribution among Allies of material assistance to Russia for the prolongation of war.
(2) Reasons for formation coalition ministry in Russia.
(3) Memorandum concerning Constantinople and Dardanelles March 5, 1915.
(4) Same with agreement British spheres of influence March 7, 1915.
(5) Joint action of three Allied Ambassadors urging strong government for Russia and Russia's reply October 9, 1917.
(6) Instructions to Russian Ambassador at Paris on participation in conference February 24, 1916, with reference to western frontiers Germany, Polish frontier, Roumania, China and Japan and Scandinavia.
(7) Instructions to Russian Ambassadors Paris and London on Alsace-Lorraine.
(8) Political situation in Russia.
(9) Kornilov.
(10) Territorial acquisitions desired by Russia March 4, 1915.
(11) Swiss conference of financiers to bring about peace at the expense of Russia.
(12) Asia Minor.
(13) Charge of insincerity against Ribot in regard to February declaration in French Chamber concerning agreement with Russia regarding eastern frontiers of France.
(14) Memorandum on Greek question.

The first two installments of the publication by the Bolsheviki cover the subjects cited above. The translation of the subsequent installments had not been finished when Sands left Petrograd and will follow when Embassy sends courier. Sands requests you assist him to leave steamer *Bergensfjord* at Halifax and proceed to Washington by rail to deliver papers at earliest possible moment.[1]

MORRIS

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[1] The following despatch was received from the Minister, Jan. 29, 1918 (File No. 761.00/13):

No. 947 STOCKHOLM, *December 15, 1917.*

SIR: With reference to my telegram No. 1110 of December 4, 1917, in reply to your 427 concerning secret correspondence published by the Bolshevik administration in Russia, in which I informed you that Mr. William F. Sands was bringing copies of the translations of these documents to you, I now find that Mr. Sands inadvertently left these papers here and I have the honor to transmit them to the Department herewith enclosed.

I have [etc.] IRA N. MORRIS

See also despatch from the Ambassador in Russia, Dec. 5, 1917 (received Dec. 27), and footnote thereto, *post*, p. 493.

File No. 763.72/8475b

The Secretary of State to the Chairman of the Committee on Foreign Relations of the Senate (Stone)

WASHINGTON, *December 6, 1917.*

MY DEAR SENATOR STONE: In accordance with your request it gives me pleasure to send you enclosed a confidential memorandum regarding the inadvisability of a declaration of war by the United States against Turkey and Bulgaria at the present time.

I am [etc.] ROBERT LANSING

[Enclosure 1]

The Secretary of State to the Chairman of the Committee on Foreign Relations of the Senate (Stone)

MEMORANDUM REGARDING THE INADVISABILITY OF A DECLARATION OF WAR BY THE UNITED STATES AGAINST TURKEY AND BULGARIA AT THE PRESENT TIME

TURKEY

There has been no request, or even suggestion, made to this country by the Entente that the United States declare war against Turkey and Bulgaria.

For various reasons, among which may be cited the following, the necessity does not at this time exist for such declaration. If, at a later date, such action should become advisable and necessary for the successful carrying out of the war it will be very seriously considered.

For manifest reasons at the present time there can be no question of any direct military operation by the United States against Turkey. The question of the advisability of a declaration of war by the United States against Turkey must therefore be considered, first, from the standpoint of the moral effect of such declaration, and second, from the standpoint of the indirect damage to Turkey and the United States which would naturally and probably result from such declaration.

Considering the second of these questions first, it should be remembered that Turkish interests in the United States are very insignificant, while the interests of the United States in Turkey are very large. The importance of the American missionary and educational institutions in Turkey are too well known to require a detailed description in this memorandum. It will be sufficient to say that during the past hundred years the American missionary societies have expended over $20,000,000 in Turkey, and that the present value of the American missionary property (mainly used for educational

purposes) in Turkey amounts to several millions of dollars. In the event of war between the United States and Turkey, all this property would be destroyed or confiscated.

The Department is in recent receipt of letters from prominent American citizens acquainted with the situation in Turkey calling its attention to the great personal danger to the Americans in Turkey if the United States should declare war against Turkey before the missionaries and other American citizens could leave that country. At the present time the American institutions in Turkey are being fairly well treated. A recent despatch to the Department from one of its consular officers contains the following extract:

Mr. W. W. Peet, long prominent in the American Bible Society work at Constantinople, tells me that he has had a letter from Turkey as recently dated as September 10. This letter tells him that the American schools are opening up and that Turkish children are entering same in numbers. Mr. Peet adds that the time is now past where there may be any fear that Turkish Government will take over the very valuable college and school property. I was surprised to learn from him that before the war as many as 50,000 children and students attended schools and colleges under American auspices. This is a big leaven in the right direction and this leaven seems to be at work again.[1]

. . . . . .

To recur to Mr. Peet's conversation and I regard what he gives as his opinion as entitled, in the light of his long residence and knowledge of Turkey, to great respect, Mr. Peet says that he feels convinced that Turkey will not enter the war against America—that the situation will not become worse in a general way in Turkey.

There is practically nothing to fear from the activities of the Turkish subjects in the United States; the vast majority of the Turkish subjects in the United States are Christians, Syrians, Assyrians, and Armenians. The number of real Turks in the United States is very limited. The report of the Immigration Commission published in 1911 states that only 12,954 true Turks came to America from Turkey during the twelve years from 1899 to 1910 inclusive.

It is well known that a great deal of friction between the Turks and Germans is being developed at the present time. In a despatch dated December 23, 1916, from the American Ambassador at Constantinople it is stated:

It is quite true that, at present, German diplomatic support is almost sure to doom a negotiation to failure. In fact, of late, officials of the German Embassy have been appealing to us for assistance in their attempts to wring definite concessions from the Government. For, at present, they feel themselves comparatively helpless, because the Turkish answer to any real pressure brought to

[1] The following omission indicated in the original.

bear, in a controversy concerning non-military matters, is always a covert threat to end the alliance and make a separate peace with the Entente powers. Hence Germany, now engaged in a life and death struggle, is comparatively powerless.

Even the warring party in Turkey is divided into two factions; and while it is reported that Enver Pasha and his followers are strongly pro-German, Talaat Bey is at the head of a party who are only concerned with the interests of Turkey and are beginning to look with suspicion upon German ambitions. It is thought that a declaration of war against Turkey by the United States, unless the United States is in a position to strike Turkey, will have the tendency to strengthen the German influence in that country.

The Turks, so far as is known, have no troops on the western front, and have few if any effective submarines. The danger of direct conflict between the forces of the United States and those of Turkey is, therefore, very small.

As a final observation it might be added that if we should declare war against Turkey, the Turks would be likely to retaliate by fresh massacres on the Christians and Jews in the Turkish Empire.

BULGARIA

The wisdom of a declaration of war by the United States at the present time against Bulgaria would be even more doubtful than would be the wisdom of a declaration of war by the United States against Turkey.

The Bulgarian race has always been extremely friendly toward the United States. Robert College at Constantinople is often referred to by Bulgarians as "the Cradle of Bulgarian Liberty." The Bulgarian Minister to the United States was for more than thirty years a professor at Robert College, and he has always been very friendly disposed toward both the United States and the Entente powers.

The Bulgarian interest in this war is a purely local one, the Bulgarians are merely fighting out their old feud with the Serbians. The Bulgarians not only have no interest in the German plans for world conquests but on the contrary they are already beginning to appreciate the dangers of German domination. There are no Bulgarian troops on the western frontier and Bulgaria has no submarines; there is, therefore, no danger of any direct conflict between the American and Bulgarian forces.

It is difficult to see how a declaration of war by the United States against Bulgaria at the present moment would in any way, directly or indirectly, tend to assist in the bringing about of a victory for the United States and the Entente.

Moreover, the Bulgarian Minister in Washington has no communication whatsoever with his own Government or with any of the Bulgarian representatives in neutral countries. He has no pouch service, and cipher messages are not permitted to be exchanged by him with anyone.

[Enclosure 2]

The Secretary of State to the Chairman of the Committee on Foreign Relations of the Senate (Stone)

NOTES ON ARGUMENTS WHY THE UNITED STATES SHOULD NOT DECLARE WAR AGAINST TURKEY AND BULGARIA JUST AT PRESENT

(N. B. There are some repetitions in this memorandum on account of the fact that three parties have been quoted as authorities for the statements made.)

1. The question should be considered from the practical rather than the sentimental standpoint.

2. In case of a declaration of war against Turkey and Bulgaria these countries can inflict injuries upon American citizens and American interests while the United States can do nothing to injure Bulgaria or Turkey except indirectly, and we are indirectly fighting against these countries without a formal declaration of war against them.

3. American educational and missionary societies have large interests in Turkey. Mr. William W. Peet, who is acting as the representative in Washington of the American Board of Commissioners for Foreign Missions and for the American Committee for Armenian and Syrian Relief, makes the following statement on behalf of these organizations:

The work of the Americans in Turkey and Bulgaria of an educational, missionary, and benevolent character has been built up during the last hundred years. It had at the time of the outbreak of the war assumed an important place in the civilizatiton of those countries. An expenditure of American money in educational and missionary plants amounting to approximately twenty million dollars had been made. In the development of this work hundreds of educated American men and women have devoted the best years of their lives resulting in the building up of a strong American influence which still remains potent. At the time of the breaking of diplomatic relations with Turkey upwards of three hundred Americans were employed in this work in the Turkish Empire and fifty or sixty in Bulgaria. Upon the departure of the Ambassador from Constantinople, although a part of the American missionary force left Turkey owing to the impossibility of carrying on all departments of their work under existing conditions, nearly one hundred American citi-

zens, men and women, remained in order to keep open such schools as it was possible to maintain, to retain possession of their large and valuable properties, but above all to continue the work of relief in which all Americans were actively employed for the Christian races (Armenians, Greeks, and Syrians) who had been the victims of Turkish oppression and cruelty. By special arrangement it became possible to continue this work of charity and benevolence so long as the Americans remain in charge of it. In Bulgaria and also in Constantinople, Smyrna, Beirut, as well as in some interior localities, the American schools, including such well-known institutions as Robert College, the American College for Girls in Constantinople, the American University in Beirut, the International College in Smyrna, continue as in normal times with largely increased attendance.

A declaration of war on the part of the United States against the Governments of Bulgaria and Turkey would place the lives of the Americans remaining in those countries in jeopardy, would sacrifice the valuable properties which are still, to a large extent, employed for their normal uses, and would probably bring to an end the work of relief to which the benevolent people of America have so generously contributed, and which has been sustained in Turkey since the fall of 1915, resulting in the extermination of large numbers of surviving Christians all of whom are strongly pro-Ally in their sentiments. On the other hand, the American missionaries remaining in Turkey, as well as their supporters in America, would not be unwilling to assume any risk and submit to any sacrifice of life or property, if by so doing, the Allied cause could be advanced and the suffering races in Turkey could be saved. But it is doubtful if a declaration of war could be accompanied on the part of the American Government by any offensive acts which would in any way contribute to the weakening or the downfall of Turkey and Bulgaria or which would in any way increase the contributions which America is able to make to the cause of her allies. Moreover it is probable that a declaration of war unaccompanied by a prompt and strong offensive would in case of Turkey, at least, lead to a renewal of those acts of cruelty and oppression which have in the past shocked the whole world.

In addition to the above, it should be borne in mind that at least the Government of Bulgaria is already war-weary and is beginning to realize that her continuance in this struggle is solely for the benefit of Germany and is accompanied by a continual menace to her own territorial integrity. She is anxious to quit and is now reaching the position where the people and even the ruling classes do not care to make further contributions to the support of German militarism. A declaration of war would cement the loosening bond which binds this country to the German confederacy without any corresponding benefit to the cause of the Allies.

4. A declaration of war by the United States against Turkey might cost the lives of many thousands of Christians in Turkey.

5. There are considerable American business interests in Turkey.

6. The growing bitterness between the Bulgarians and the Turks gives hope of serious trouble between these two races, if nothing new arises to make Turkey and Bulgaria forget their mutual animosities and to remind them of the common dangers which confront them. . . . It is not suggested that the United States should hold out any promises to Bulgaria or should at any time assist her in any way, but if Turkey and Bulgaria are reaching the point where their mutual animosity may make serious trouble for Germany we should not do anything which may tend to prevent such a result being arrived at.

Mr. E. B. Haskell, an American missionary who was born in Bulgaria and has spent most of his life in that country, has sent the Department a memorandum on "The Bulgaro-Turkish Alliance" in which he says *inter alia*:

To a multitude of Bulgarians the bitterest thing in this war is their alliance with the Turks.

I have been told by Bulgarian officers of several occasions on which the antipathy between them and their Turkish allies led to personal encounters, accompanied by bullets, in the Seres region.

If the present newspaper reports are true—as is likely—that Turkey has renewed her demands and that Germany is backing them with coercion, the result will be intense bitterness towards both in Bulgaria. A change of Ministry very possibly may follow, the consequence of which it would be useless to attempt to predict.

Since the second Balkan war a very catchy song has had the greatest vogue in Bulgaria of anything except *Shumi Maritza*, the national hymn. It is entitled *Siyouznitzi Razboinitzi*, or "Allies-Bandits," and gives the Bulgarian estimate of her allies in the first Balkan war. It will be sung with increased vigor at present if one ally threatens to keep a district (Dobrudja) which Bulgaria regards as necessary to secure her northern boundary against Rumania, unless Bulgaria will give back to another ally what was ceded without any conditions and was a leading reason which her King gave her for forming an alliance with the abhorred Turk.

A report just received from Vice Consul Edelman contains the following statement relative to relations between Turks and Bulgarians:

The growing expansion of Bulgaria has caused great discontent in Constantinople. Turkish statesmen cannot forget that Bulgaria was induced to join the alliance on the condition of the cession of Turkish territory around Adrianople. In view of Bulgaria obtaining the Dobrudja, Turkey now demands the return of her ceded territory, as well as the Adrianople-Dedeagach Railway, and certain sections of Dedeagach, Kavalla, Drama and Seres.

Naturally these demands have not been entirely agreeable to Bulgaria, and have caused a wild outburst from the Sofia press, in which Turkey is reminded that her present favorable situation is due to Bulgaria, and her future tranquillity and salvation depends upon her maintaining her good relations with Bulgaria.

7. Conditions are changing rapidly in the Near East and it is impossible to foretell what may happen in the immediate future. It will always be possible to declare war against Turkey and Bulgaria, but a declaration of war once made cannot be recalled. It would seem admissible to at least wait a little longer before such declaration.

File No. 763.72/7986

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *December 4, 1917, 4 p. m.*
[*Received December 6, noon.*]

2166. For Harrison from Anderson:

7. Have waited at Berne nine days expecting arrival of Apponyi daily. Austro-Hungarian Legation here not communicative until to-day. One member of Legation told me to-day that Apponyi's several attempts to come had been frustrated by very serious conditions that have arisen; "foolish people are in a ferment and not appeased by grand victories over Italians—claim the result adds to their burdens and decreases their supplies." Important crisis pending. It is suggested that I be given safe-conduct to Vienna and meet Apponyi there. He tells me this can be obtained in forty-eight hours. I am prepared to go [unless you] cable disapproval and believe I can get at the true inwardness of conditions there.

Apropos of information cabled you from Wilson, 2165, to-day,[1] the authority quoted in my cipher telegram No. 4[2] told me that Austria was not controlled by a military régime; that neither Emperor Charles nor his Government were disciples of Nietzsche or Bernhardi.

WILSON

File No. 763.72/7982

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *December 6, 1917, 1 p. m.*
[*Received 4.58 p. m.*]

The President's address to Congress[3] has been received here by the whole press and public with the most enthusiastic approval and

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[1] Not printed.
[2] *Ante*, p. 277.
[3] *Foreign Relations*, 1917, pp. ix–xvi.

satisfaction; except the President's speech which brought us into the war, it is regarded as his most important utterance. Considerable satisfaction is felt at his forecast of the possibility in certain circumstances of Germany's exclusion from the free economic intercourse which must inevitably spring out of the partnership of a real peace; concerning this point I sent with my despatch No. 7615 of December 3[1] a more important memorandum which please transmit to the President as soon as received.

There is also much gratification at his recommendation of war against Austria and some minor regret is expressed that he did not mention also Bulgaria and Turkey.

The whole effect of the speech is greatly to cheer up and hearten the British and to put the President still more clearly, if that were possible, as the preeminent leader in the war.

PAGE

File No. 763.72119/986

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *December 6, 1917.*
[*Received December 7, 3.10 a. m.*]

1131. *Social Demokraten* publishes communication from Petrograd via Svenska telegram bureau as follows:

From secret documents of Foreign Office has been published this morning telegram dated October 6 from our Chargé d'Affaires in London covering conference Allied diplomats in London called by Balfour who informed them that a German of high position had informed Spanish Ambassador, Berlin, he wished negotiate with England regarding peace. Spanish Government informed British representative in Madrid although refused act as intermediary. Balfour had replied British Government prepared receive communication which German Government may wish make regarding peace and will, together with its Allies, discuss communication. Also remarked that answer so clearly worded in order avoid Germany trying to falsely interpret it. This publication at this moment is political event of immense interest. Now Germany faces this question, has she broken off peace negotiations thus begun after it was clear England would not consent to separate peace at expense of Russia.[2]

MORRIS

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[1] Not printed.
[2] See telegram from the Ambassador in Great Britain, No. 7355, Oct. 6, *ante*, p. 226.

File No. 763.72/7996

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 5, 1917, 3 p. m.*
[Received December 6, 12.50 p. m.]

2855. Foreign Office has just sent me the texts of two joint telegrams from the American, British, French, and Italian Ministers at Jassy to their Governments and requests me to forward them to Washington.

Following is translation first telegram dated Jassy, December 3:

An emissary from Lenin to the Stavka telegraphed this morning to General Shcherbachev to offer him the general command of the Russian Armies laying stress on a cipher telegram alleged to have been received by the representatives of the Italian Army in Russia in support of claim that the Allied powers do not object to Russia making separate peace.

General Shcherbachev decided to decline this offer but in order to cover his responsibility as regards the Army he desires the Allied representatives at Jassy to confirm the declaration which has already been made to him by General Berthelot to the effect that the said telegram appears to be imaginary or to constitute forgery, that it is indubitably inconsistent with the decisions of our Governments.

After having made this declaration to General Shcherbachev, who made note of it, we called his most earnest attention to the urgent necessity for taking precautions to ward off a surprise prepared according to duly authenticated information by the Bolsheviks enrolled in the armies on the Roumanian front against the high command, the principal services, and which would also threaten the Royal Family, the Roumanian Government, and the foreign colonies.

Measures are being taken by Roumanian General Staff to discourage this attempt and if necessary to repress it with the greatest energies. However, to avoid this repression assuming the character of a conflict between Russians and Roumanians, it is essential that such Russian elements as are still reliable should be associated therewith. We have strongly insisted upon that point with General Shcherbachev in order that appropriate measures be taken.

In the course of conversation General Shcherbachev expressed the strictly confidential opinion that the immediate dispatch to Russia of an inter-Allied contingent would constitute at this time not only a material but a moral force of considerable effect. Our experience in regard to Russian troops and observation of the situation convince us that this opinion is well justified.

Following is translation second telegram dated December 4:

The President of the Council has communicated to us the following telegram which he has addressed to the Roumanian representatives accredited to the Allied Governments:

The Maximalists have absolute mastery over the two northern fronts and have occupied the Stavka.

Along the fronts, events are precipitating themselves, disintegration and disorder have reached their culminating point.

The Russian army corps on the Roumanian front have one after another concluded an armistice replacing those generals who did not lend themselves thereto by lieutenants.

The Russian Commander in Chief Dukhonin has surrendered to Krylenko.

Under these conditions General Shcherbachev has the alternative either of giving way to a Maximalist or taking part in the conclusion of a regular armistice to last until such time as the legal government to be elected shall establish the condition of peace.

According to his opinion this would be the only means of retaining the front and convincing the troops of the enemy's bad faith but he desires to attempt this only with the consent of the Allies. In this question he would be in agreement with the Rada and would act as commanding the southwest and the Roumanian fronts.

Were Roumania to assume any other attitude the Russian Army in Moldavia would be transformed into a million enemies under the direction of the Maximalists, whose representative is Rakovski, thus placing the Roumanian Army, in front of which the Germans have already brought sixty fresh battalions, in the impossibility of maintaining any resistance.

Such a resistance would correspond with the destruction fatal for ourselves and without equivalent for our Allies in the event of a disordered and hostile retreat of the Russian Armies across Moldavia.

In any case our Allies should not form any illusions as regards Ukrainia and the south of Russia which can only lend assistance as long as a Russian front exists.

Mr. Bratianu having at the request of General Shcherbachev summoned us to give an immediate answer to the latter, in default of which he might be replaced from one moment to another by a commander named [by] Krylenko, we limited ourselves in order to gain time to leaving with him a copy of the following declaration.

The undersigned, not being vested with the necessary powers to undertake engagements in the premises in the name of their Governments, are requesting instructions by telegraph convinced that the Russian High Command will do all in its power to defend the cause of the Allies which is identical with the cause of liberty and democracy. They recognize and point out to their Governments the value of the considerations set forth by General Shcherbachev as well as the paramount interest of preventing the Maximalists seizing the southwest and Russo-Roumanian fronts. They acknowledge also with the President of the Council the grave dangers which in the present situation threaten the Roumanian Army.

Pray communicate urgently this telegram to the representatives at the conference of England, United States and Italy, and address to the Minister of France for himself and his colleagues the instructions of the Allied Governments.

SHARP

File No. 763.72119/998

The Minister in Rumania (Vopicka) to the Secretary of State

[Telegram]

JASSY, *December 2* [?],[1] *1917, 10 p. m.*
[*Received December 7, 10.10 a. m.*]

180. Appertaining to cables sent to Paris by me and other Allied Ministers, beg to state that the Roumanian Government has not

[1] Note dates of telegrams quoted in preceding document and referred to herein.

waited for the answer of the Allies asked for in those cables, but empowered chief general of the Russian Army here to ask for an armistice for both the Russians and Roumanians. I believe they did not wait for the answer because they feared that if the armistice was made by the Russians alone the Germans would attack the Roumanian Army and destroy it. This armistice will, in my opinion, lead to peace between Germans, Russia and Roumanians. The four Allied military attachés here disagreed as to whether the Roumanian Army should retreat through Russia immediately and join the British Army in Asia Minor or should make an armistice. Our military attaché was in favor of the former while all the others were against him. Prime Minister told me that during the armistice not only part of the Roumanian reserves [can be?] saved for the Allies providing conditions in south Russia improve but also the lives of the Royal Family. VOPICKA

File No. 763.72/7996

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *December 7, 1917, 4 p. m.*

2928. Your 2855, December 5, 3 p. m. Please advise as soon as possible views or proposed action of French Government regarding Roumanian situation as described your telegram.

With reference to copy of declaration left by Ministers with Mr. Bratianu, have telegraphed Jassy to take no further steps without instructions from the Department. Have telegraphed London and Rome to same effect.

LANSING

File No. 763.72/7986

The Secretary of State to the Chargé in Switzerland (Wilson)

[Telegram]

WASHINGTON, *December 7, 1917, 5 p. m.*

1200. Your 2166, December 4, 4 p. m. For Anderson:

Proposed visit to Vienna not approved. Under no circumstances should you enter enemy territory at any time without permission from here. Suggest you remain on in Switzerland sufficient length of time to enable Apponyi to get in touch with you should he so desire and then return to Holland where I presume you can operate more successfully. Please let me have your views in this regard.

LANSING

The Declaration of a State of War with Austria-Hungary, December 7—The Conclusion of an Armistice on the Rumanian Front [1]—Interview of Special Agent Anderson with Count Apponyi in Vienna—Other Unofficial Approaches by Germans and Austrians—Discussion as to the Use of American Troops in Europe

File No. 763.72/8023a

The Secretary of State to All Diplomatic Officers

[Circular telegram]

WASHINGTON, *December 7, 1917.*

Congress to-day passed and President signed joint resolution declaring war on Austria-Hungary. Inform Consuls.

LANSING

File No. 763.72/8014

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 5, 1917, 5 p. m.*

[*Received in sections, December 8, 1.15 a. m. and 8.10 p. m.*]

2830. Supplementing my No. 2855 of December 5.[2] Joint telegram transmitted from Jassy by Ministers of Great Britain, United States, France and Italy:

Jassy, December 5.

The situation which is rapidly becoming more serious may require immediate decisions in view of which we request our Governments urgently to send us instructions. What should our attitude be in the following hypotheses:

1. In the event that contrary to the expectations of General Shcherbachev the negotiations for an armistice either did not prevent the dismemberment of the Russian troops or resulted in the conclusion of a separate peace, are we to admit that the Roumanian Government should associate itself therewith or to induce it to attempt to leave the country which would involve the constitution of a government by the enemy hostile to the Entente?

2. In the event of General Shcherbachev being replaced by a Maximalist commander are we to avoid all intercourse with the latter? It is expedient to observe that such an event would expose the Royal Family and the Government to an even graver danger. Their departure would thereupon become imperative and could only be organized with the cooperation of the *de facto* Russian authorities.

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[1] Papers relating to the conclusion of an armistice on the Russian front, Dec. 17, 1917, the opening of negotiations for peace, and the invitation to the Allied Governments to participate and declare their terms are printed in *Foreign Relations*, 1918, Russia, Vol. I, pp. 242 *et seq.*

[2] *Ante*, p. 456.

In order to provide our Governments with all missions' appreciation we may point out that the Russian High Command has received a communication according to which the Government of Ukrainia desires peace at any price. On the other hand, according to the press telegrams General Kaledin observes an expectant [neutrality?] which is confirmed by the inertia of the Cossacks on the Roumanian front.

Finally it is the opinion of the chiefs of the British, French military missions as well as of the Roumanian General Staff that the anarchy which reigns in southern Russia as well as the absence of all organization render the evacuation of the Roumanian Army to Bessarabia at present impossible.

It is self-evident that if events allowed an improvement of the situation in southern Russia to the extent of making it possible to evacuate the Roumanian Army there we would bring all our influence to bear in that direction.

A Russian newspaper publishes a note inspired by the Russian commander saying that General Shcherbachev has proposed an armistice to the enemy with the consent of the Roumanians and "after having so informed the Allied Governments." As shown by our telegram of the 3d of this month,[1] in the new situation which has arisen in regard to which the initiative of General Shcherbachev was represented as the sole means of avoiding an immediate peace, we did not deem it possible to take upon ourselves the responsibility of protesting against the proposal of which Mr. Bratiano has informed us in the name of the Russian commander.

The Allied representatives being thus publicly brought into question it behooves their Governments to determine whether they should or not be directed to protest officially on their behalf against all dealings with the enemy. It may be noted that in the present circumstances such a protestation might from local point of view have serious consequences.

"Third telegram undated." Strictly private telegram addressed to the Minister of France to the effect the Entente is opposed to any armistice and the Roumanian Army should retreat at any cost, we have so informed the President of the Council. Regarding the question of armistice Mr. Bratiano has reiterated to us that by reason of the Russian treason the Army is placed in a position of *force majeure*. He added that according to his previous statement the Council assembled this morning under the presidency of the King; has given instructions to the Roumanian parliamentaries to remain upon the strictly military ground of the armistice. As regards the evacuation of the Roumanian Army to Russia, Mr. Bratiano repeated that this is not feasible at present owing to the impossibility through want of credit to be prepared (one group wrong) to organize a depot of provisions on the line of retreat. The Minister of France having been directed to inform the King of the opening of unlimited credits for the rationing of the Roumanian Army we have insisted that everything should be attempted in view of this (one group wrong) if the events allow and sufficient respite to make this possible. In order to allow the immediate utilization of these credits it is indispensable to inform the banks at Odessa and Kief that same have

[1] *Ante*, p. 456.

been opened. Finally Mr. Bratiano has requested us to examine the contingency of the departure of the Royal Family and the Government through Russia. We confirm that this departure can only be effected with the cooperation of various *de facto* authorities of Russia. Events may be precipitated and it is urgent to request without delay the Allied representatives [in Russia] to approach the said authorities on the subject informally and discreetly.

SHARP

File No. 763.72119/1001

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *December 7, 1917, noon.*
[*Received December 9, 10.15 a. m.*]

2185. For Harrison from Anderson:

8. Leaving to-night for Vienna. Safe-conduct granted to me for the round trip although Austrian Legation had cognizance of President Wilson's message and final resolution.

In view Wilson's telegram 2124, November 26, 6 p. m.,[1] suggest you enquire of Garrett in The Hague his views concerning Károlyi's reliability.

WILSON

File No. 763.72119/1002

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *December 7, 1917, 2 p. m.*
[*Received December 9, 11.20 a. m.*]

2190. My 2185, December 7, noon. Anderson has informed me that his mission is fully understood by the highest authorities in the United States. He has stated that his instructions were broad enough to cover even such a contingency as his proposed trip. He has not informed me nature of his mission and lacking this information I regard his trip to Vienna with apprehension lest Austrians attempt to make out of it tentative proposal for peace. No matter what his mission, circumstances would lend color to such a report and the results might seriously impair relations of the United States with its allies.

I have expressed above views to him and urged him to await reply to his No. 7.[2] He is unwilling postpone trip and will leave with Austrian safe-conduct to-morrow morning.

WILSON

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[1] *Ante*, p. 322.
[2] *Ante*, p. 454.

File No. 763.72/8039

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *December 7, 1917, 7 p. m.*
[*Received December 9, 2.35 p. m.*]

2189. *German political.* Prussian electoral reform law does not appear to gain in popularity as discussion advances. Liberal circles point out that law providing for one year's residence before acquiring voting rights operates strongly in favor of an agrarian party as masses in agrarian districts are much more subservient to Junker influences than the floating populations of big cities and are also much more permanent in their residence. Soldiers returning from front in agrarian districts will probably remain settled whereas others will move from place to place for considerable period in the readjustment of economic life. Prospects for passage of the bill are somewhat doubtful and it appears at present that there is a majority in the Landtag able to defeat it.

Considerable stress has been laid on the publication of secret documents in Petrograd. Press has exulted in what they call evidence of annexationistic intention of Entente.

In line with Germany's usual endeavors to cause division among Allies papers are stating that America's great aim will be destruction of England's influence and obtaining a commercial supremacy of the world.

Hertling's initial speech fairly well received, probably because he brought the good news of armistice proposals by Russians. Von Kühlmann has also spoken in a vein acceptable to the Reichstag but brought out nothing of great interest. Westarp flatly stated that he could not acquiesce in the manner in which Chancellor had obtained position as it was derogatory to rights of Crown. This seems to indicate decided opposition of the Conservatives to Hertling.

Polish affairs. Perlowski of Polish committee of Lausanne impresses earnestly upon me urgent necessity for prompt declaration by Entente in favor of independence of Poland in line with President Wilson's declaration of year ago. He claims that Poland is thoroughly anti-Prussian and that there is no danger of her ever turning towards Germany. However, there is grave danger, and facts are already evidencing this, that she will turn towards Austria as the one great power who is showing an interest in her autonomous if not independent future. He predicts situation, if German Army is withdrawn Poland will be menaced by anarchy from Russia and might turn somewhere [else] for aid. Perlowski declares Poland will never fight France or be employed on western front but he does not exclude possibility of Polish divisions organized under

Austrian influence to defend frontiers against Russian anarchy. Public opinion which was overwhelmingly in favor of Entente is gradually by silence of Entente as to Poland's future being turned towards Austria. I have discussed this matter with British Minister who can see no objection to such declaration from Allies.

German military. Concerning possibility of release of prisoners from Russia I learn from excellent Austrian authority that out of 100,000 German prisoners one-tenth have died and out of 1,500,000 Austrian prisoners 200,000 have died. It is also reported that neither of Central powers anxious to have great numbers of these prisoners returned because they fear influence of men infected by anarchistic ideas and because many Austrian prisoners have Slav sympathies.

Reports continue of massing of German troops in Alsace.

Austria-Hungary political. Budget delegates have met in Vienna and will doubtless give rise to bitter discussions since refusal of credits only weapon of Minority parties. Emperor's address delivered on 4th instant reiterating Austria's desire for peace. Czernin has also addressed them and fragments of the speeches have been published but as yet no Austrian papers have arrived describing it. In first meeting of delegates Czechs and Yugoslavs accused Austrian Government of suppressing part of Russian Government's peace proposal dealing with rights of nationalities to determine own destinies. *Fremdenblatt* replied to articles claiming that above the rights of nationalities to determine their destiny was right of nation to determine its destiny and preserve its integrity. Papers are filled with articles showing hope of early general peace and *Neue Freie Presse* printed direct appeal to England.

Announcement has been made in Hungarian Parliament that if it refuses electoral reform bill Parliament will be dissolved even against will of Tisza majority and new election called because Emperor is determined that new electoral law be passed for Hungary.

Austrian press indicates great increase in crime in both Germany and Austria, giving evidence of moral degeneration as consequence of war. Thefts of foodstuffs particularly prevalent.

Count Leopininski, Pole, late Governor General of Galicia, member Austrian Herrenhaus, Privy Councilor, Professor of University of Lemberg and intimate personal and political friend of Czernin, called upon Perlowski, above mentioned, and desired him to present to British Minister and public Leopininski's views. Latter added that he came without diplomatic character, nevertheless from his position and associates and his expressed desire that these views be brought to British and American Governments his statement is significant. Leopininski points out Russia ceased to exist as war factor

but may prove factor in revictualing Germany and Austria, therefore impossible to consider longer starvation of those countries. A logical sequence of Russian anarchy will be repudiation of her debts and spread of that anarchy throughout all Europe. First victim of anarchy will be Poland.

He states aims of Allies are crushing German militarism and suppressing her outside hegemony. He claims this if possible is terrible task and useless in that Germany will never be again military menace as people will no longer submit to autocratic affiliations and military despotism after horrible lesson of war. Discussing Austria, he claims the German alliance was only accepted by Austria because of menace from Russia. This menace now removed she might have no reason to continue Germany's ally after peace is encouraged. Austria desirous through pride and from economic reasons of complete independence. This idea thoroughly prevalent in Austria and even recognized in Germany that *Mittel Europa* scheme is dead. Monarchy will strain every endeavor for entire independence, to secure to every one of her nationalities that freedom which Germany has long rendered impossible. Austria desires no annexation but if Poland declares willingness to enter monarchy Austria will accept. Poland is decidedly anti-Prussian. Her entrance into monarchy would decide Slavic character of Austria and would found barrier state against Germany. Restored Poland should be extended far as possible with free access to Baltic as only a great Poland will be useful to western nations and can only be accomplished with Austrian help. Center of Europe will become either Austro-Polish or German and there is no doubt on which side lies interest of Entente.

For these reasons peace should not be longer delayed. Further protraction of war against Allies' interest. Reconquering of Belgium and northern France would change these countries into a desert. He declares to-day it may be considered as sure that Germany would be ready to restore Belgium without any restrictions. She would agree to an international pacification securing to the Anglo-Saxon race the main influence in the world's affairs. After further military successes Germany would be unwilling to accept these conditions and Pan-German ideas would prove real danger and mortal danger to Poland. He informed Perlowski that Alsace-Lorraine could not be restored but added later that perhaps a small piece of Lorraine might be ceded. As for Trentino concessions, Germany's colonies would have to be restored. Austria ready for any scheme for universal pacification. Perlowski adds that policy of German race towards Slavs is substitution of unity for independence.

Ludwig Baur, Austrian nationality, editor of *National Zeitung* of Basel, states declaration of war against Austria-Hungary would strengthen conservative elements in Germany and Austria and weaken America's position from moral standpoint. It would make America one of Entente and confound her aims with those of Allies.

Austria-Hungary economic. An Austrian reports that Roumanian harvest possessions gave Central powers approximate equivalent of what they put in as seed, all the rest of harvest remained in country. He continues that decline of Austrian economic resources has thrown her constantly further into hands of Germany and that Czernin makes no secret of fact that Austria could not exist without a close union with that country.

Austria-Hungary military. Reports from Italian source apparently show diminution of troop movements through Austria towards Italian front.

Turkey. Frederick Wirth, former clerk of Embassy, Constantinople, just arrived from Turkey, states Turks and Arabs openly showed delight British victories in Syria. Only 10 per cent of Turks interested success Turkish Government while 50 per cent Greeks and Syrians are actually hostile and 40 per cent too ignorant to appreciate what is happening. Ill feeling between Turks and Germans pronounced and it is rumored that Djemal Pasha has come into conflict with Falkenhayn.

Turkish economic. Crops in interior poor and cost of living there increased twenty times over scale of 1914. Cost sugar thirty times peace price and petroleum, when obtainable, brings $20 gallon. In province Anatolia no rain from July to November and poor people are starving. It is reported no provisions being sent into Turkey whereas Germans, Austrians, and Bulgarians exporting certain supplies from Turkey. Germans contemplating planting cotton in Turkey. Criticising possible declaration of war, he points out that declaration would stop relief work in Turkey and that in view of general good treatment accorded Americans and American institutions in Turkey, it is evident that majority of members of Ottoman Government are anxious not to produce declaration of war on the part of the United States. Wirth states, " I am firmly convinced that the attitude adopted by Talaat Pasha and Djavid Bey, in according good treatment to everything American, is simply an expression of their hope that after war United States will come to their assistance financially and economically."

Bulgaria. Theodore K. Shipkoff, Bulgarian subject, called to-day purporting to deliver message from Murphy at Sofia. He explained deep influence America on Bulgarian history and great respect paid

to American interests in Bulgaria. Makes point that declaration of war by America will strengthen German element in Bulgaria and take from Government only weapon of resistance against German dominance. These he claims are Murphy's views.

Swedish [Swiss ?] political. Department's instructions to me to issue declaration concerning Swiss neutrality has had most happy effect this country. All sections of press including that in German Switzerland give most friendly replies. *Basler Nachrichten* speaks of "great sister Republic." Ador extremely grateful and informs me will express appreciation formally. British Minister tells me his Government has inquired concerning feasibility Great Britain making similar statement and he has recommended favorably.

Press is withholding criticism of revictualment questions pending results from negotiations in Paris.

Swiss Socialist Congress December 2 addressed [telegram?] to Russian Maximalists expressing profound admiration for their action in bringing about peace.

Federal Council decided yesterday to maintain order of June 26, 1917, that direction of Political Department rests in hands of President of Confederation. This means that Calonder will become president of Political Department as well as President of Swiss Confederation.

On opening session legislature Monday Deputy Fazy, dean of legislature, stated that he had expressed an apparently unrealizable desire three years ago for independence of Belgium and that events were apparently shaping themselves now to bring about realization his desire which he still held.

The political and military tension in Switzerland still continues as result of heavy fighting all sides and concentration in Alsace. Activities of German propaganda ostensibly economic in nature apparently represent greater expenditure of effort than results would warrant possibly pointing to preparation of military character.

It is again reported that General Wille will resign in short time and be succeeded by Colonel Isler.

WILSON

File No. 763.72119/1002

The Secretary of State to the Chargé in Switzerland (Wilson)

[Telegram]

WASHINGTON, *December 10, 1917, 3 p. m.*

1208. Urgent. Your 2190, December 7, 2 p. m.[1] If Anderson left before receipt of Department's 1200 of December 7, 5 p. m.,[2] hold

[1] *Ante*, p. 461.
[2] *Ante*, p. 458.

him at the border if possible and if he has crossed endeavor to instruct him to return at once.

Anderson's mission was to obtain information regarding political conditions, particularly constitutional reforms in the Central Empires. He has exceeded his authority and failed to comply with explicit instructions that he was not to enter enemy territory without obtaining permission.

If you think it desirable, advise your British and French colleagues confidentially of the foregoing and disavow absolutely Anderson's action.

Anderson should proceed as soon as possible to London. Please expedite his departure.

LANSING

File No. 763.72119/1001

The Secretary of State to the Chargé in Switzerland (Wilson)

[Telegram]

WASHINGTON, *December 10, 1917, 4 p. m.*

1209. Your 2185, December 7, noon.[1] For Anderson from Harrison:

Your No. 8[1] received. Hope instructions my telegram December 7, 5 p. m.,[2] reached you before your departure for Vienna. Can not understand your failure to comply with definite instructions given you before your departure that you were not to enter enemy territory without explicit permission. Should you have made trip you will make it clear to member of staff of Austrian Legation mentioned in your cablegram No. 7[3] that you visited Vienna without consent and against the wishes of American authorities and explain that you acted entirely on your own initiative.

Upon receipt of this telegram you will proceed immediately through France to London, report your arrival and await further instructions there.

LANSING

File No. 763.72/8046

The Minister in Denmark (Egan) to the Secretary of State

[Telegram]

COPENHAGEN, *December 8, 1917, 2 p. m.*
[*Received December 10, 5.26 p. m.*]

1682. Legation's 1679, December 7, 4 p. m.[4] The German press has devoted little comment to the President's speech[5] compared

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[1] *Ante*, p. 461.
[2] *Ante*, p. 458.
[3] *Ante*, p. 454.
[4] Not printed.
[5] *Foreign Relations*, 1917, pp. ix–xvi.

with that made on his answer to the Pope. The debates in the Prussian Diet printed in full and the heated press discussion thereon occupy an overwhelming proportion of newspaper space. *Vorwärts* prints practically complete text while other papers more or less full *résumés*. Such important north German paper as *Weser Zeitung* has printed no comment whatever.

Hamburgischer Correspondent, 7th: Wilson's speech has single purpose, to preserve America's reputation. Publication Petrograd archives show that Entente pursuing selfish and predatory purpose, only America holds aloof, but such combination impossible and should Allies be able dictate peace, each would be paid according to political aims. Wilson must permit us to ask how he intends to prevent this as he pretends to desire. Our enemies never entered war for aims like Wilson's and, if victorious, would never be satisfied with them, and Wilson would be empowered [*sic*] unless he wished to turn arms against Allies. Wilson in Buffalo told workers our advance in east was no longer peacefully commercial but military political. Is prevention of alleged control over Austria and Balkans a new American war aim? But main question remains, does Wilson want peace to-day or to-morrow? He answers to-morrow, but only if present German rulers are smashed, which will never happen, and bloodletting must continue indefinitely until Wilson perhaps finds himself fighting alone.

Hamburger Echo, 7th: His speech culminated in words, we wish to know nothing of peace till the German military power has been struck to earth. Whole speech as given by Reuter equally clumsy. Concerning "the noisily thoughtless and troublesome": Contradicts completely assertion that whole nation agrees with his intentions, for which American people must learn Wilson's and his clique's true intentions. President's arrogance and intentional unclearness evidenced by sentences beginning: "We are the spokesmen, etc." Nothing in speech to prove Germany broke peace and as little to show what are aims to be won by weapons unless they are in Wilson's declaration that first Germany's masters must be struck down or Germany shut out from peaceful intercourse between peoples and, secondly, German people after their being conquered must choose representatives who can be trusted and who will submit to general judgement of nations as to future fundaments for laws and treaties. Scornful laughter is only answer to such war aims. Internal effect in America chief aim of speech. Zimmermann's offer to Mexico and other acts of former German diplomacy gave him excellent chance for incitement against Germany. Continued defeats of Allies will weaken unhealthy influence of western capitalistic Republic which can be fully broken only if Germany destroys bad reputation result-

ing from our own fault and foreign slander, and by peace in the east setting limit to Europe's self-mutilation from which America only profits.

Hamburger Nachrichten, 7th, says: One possibly sensible thought in Wilson's speech when he calls no annexations, no indemnities, an unripe formula, but he speaks of peace grounded on generosity and justice and then wishes to bring credible representatives of German people to repentance for alleged "injustice of its rulers." Wilson compelled to say rehearse [*reverse?*] of truth to people since American financiers, on [whom] whole absolutely depends, have speculated falsely in investing billions in Entente's war venture, and wish to save what is possible by staking whole country and simultaneously to prepare against Japan. Wilson must attempt justify himself somewhat by talking about defeating autocracy and about peace based on generosity and justice.

Kieler Neueste, 8th, says: Brusqueness indicates Wilson's policy. American gold sacks not yet full enough. What wonderful business for the Union's trust magnates to profit by general European lack of material. Wilson says he can only regard war won when Germany represented in America by believable representatives who agree to peace founded on justice and repentance for "injustice" of its rulers. For all who can judge Wilson's impertinencies merely sign of how low Allied stock is. Article indulges in particularly vitriolic attacks on President and America in general.

AMERICAN LEGATION

File No. 763.72/8068

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 10, 1917, 5 p. m.*
[*Received December 11, 5.15 a. m.*]

2835. The following joint telegram from the Ministers of Great Britain, United States, France and Italy at Jassy has been handed for transmission by the Foreign Office.

Jassy, December 7.

The President of the Council read to you [*us*] this morning the telegram received from his representative at Paris. He concludes from the insistence of the Allies in demanding, without, as he said, taking into account the realities, the evacuation of the Roumanian [Army] in[to] Russia that our Governments are demanding from Roumania that which is now an impossibility. Reiterated that the Roumanian Army is placed between one million hostile Russians [and] the Austro-German enemy forces, whereas there is nothing ready at the present time in southern Russia to receive and support it.

He has exposed his opinion in a telegram addressed to Mr. Antonesco [1] which he read to us.

Regarding the technical side of the question we beg to refer [to] the correspondence of the heads of our [military?] missions.

Mr. Bratiano added that if the Allies persisted in requesting the impossible his Government would be constrained to resign.

He cannot dissimulate that Roumanian public opinion is becoming hostile both to his Government and to the Allies. He concluded saying recognized that in the present situation the Roumanian question is an embarrassing one for the Allies without any redeeming point and that it is my duty to appreciate whether they prefer to liberate themselves from their engagements.

We earnestly protested against the latter hypothesis. On the other hand General Shcherbachev having warned us last night of impending Maximalist attempts against the Russian High Command, the Russian Legation, and the Roumanian dynasty, asking us to prevail upon the Roumanian King to take most energetic measures either of precaution or eventually of repression, we have taken steps in that respect with Mr. Bratiano.

SHARP

File No. 763.72/8101a

The Secretary of State to the Diplomatic Officers in All Countries except Spain

[Circular telegram]

WASHINGTON, *December 11, 1917.*

Supplementing Department's circular 7th.[2] Inform Foreign Office that, "The United States Congress has passed a resolution, approved by the President December 7, declaring that a state of war exists between the Austro-Hungarian Government and the people of the United States." LANSING

File No. 763.72/8199a

The Secretary of State to the Ambassador in Spain (Willard)

[Telegram]

WASHINGTON, *December 11, 1917.*

779. Supplementing Department's circular 7th.[2] Inform Foreign Office that—

The United States Congress has passed the following resolution, approved by the President December 7:

WHEREAS the Imperial and Royal Austro-Hungarian Government has committed repeated acts of war against the Government and people of the United States of America: Therefore be it

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[1] Victor Antonesco, Rumanian Minister at Paris.
[2] *Ante*, p. 459.

Resolved, That a state of war is hereby declared to exist between the United States of America and the Imperial and Royal Austro-Hungarian Government; and that the President be, and he is hereby, authorized and directed to employ the entire naval and military forces of the United States and the resources of the Government to carry on war against the Imperial and Royal Austro-Hungarian Government; and to bring the conflict to a successful termination all the resources of the country are hereby pledged by the Congress of the United States.

Request Foreign Office to notify foregoing officially to Austro-Hungarian Government.

LANSING

File No. 763.72/8118

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 13, 1917, 10 a. m.*
[*Received 10.15 p. m.*]

2890. In talk with Mr. Antonesco, Roumanian Minister, to-day, he informed me that he had received a telegram yesterday from the King of Roumania in which he had been directed to assure President Poincaré that the Roumanian Government and troops would remain loyal to the Allied cause to the last. The Minister told me that there was no other course for the Roumanian troops to pursue than to seemingly acquiesce in an armistice especially inasmuch as sixty new battalions of German troops had moved up behind them coercing such action. As a matter of fact, the Roumanian general in command was really playing for time in the hope that Generals Kaledin and Kornilov would succeed in raising a sufficient army to furnish such relief as would at least permit the safe passage of the Roumanian troops into the adjoining territory of Bessarabia which being a former territory of Roumania still numbered two million people of that nationality. He said that owing to the difficulty raised by different gauges of railway tracks the task of moving their supplies, however, would be rendered quite impossible unless they were able to secure the use of Russian locomotives and cars. An added misfortune results from the fact that the gauge of Roumanian railroads is the same as in Germany and Austria-Hungary. He said that the latest news coming to him was to the effect that the forces of Kornilov were already engaging those of the Leninists and that Kaledin was actively pushing the reorganization of new troops. The Minister also said that within the past ten days the people of Ukrainia which had heretofore been willing to agree to terms of peace had become much more disposed to treat [with] the Allies upon learning of the terms imposed by Germany.

SHARP

File No. 763.72119/1012

The Minister in Rumania (Vopicka) to the Secretary of State

[Telegram]

JASSY, *December 8, 1917, 8 p. m.*
[*Received December 14, 3.27 a. m.*]

182. Had long talk with Roumanian Minister for Foreign Affairs who told me that cessation of hostilities on the Roumanian front for ten days beginning from December 8 had been agreed upon. He complained bitterly that the Allies did not understand the position of Roumania. He said:

General Kaledin who is now in Odessa has no army; the Ukrainians at [Kiev?] are anxious for peace and do not want to fight now; and the Russian troops on the Roumanian front do not wish to fight; and that without provisions and friends in Russia, and because the Russian troops on the Roumanian front are more hostile than friendly, it was impossible for Roumania to retreat immediately. If the Cossacks and Ukrainians organize, the Roumanian Army will retreat and join them but this requires time. For this reason an armistice is welcome.

If Russians make peace three courses are open to Roumania: to retreat when the time comes into Russia; to capitulate; or to make peace. However, I do not like the attitude of the Prime Minister and believe that even the worst can be expected from him, by which I mean that he might conclude a separate peace.

VOPICKA

File No. 763.72/8202a

The Secretary of State to the Diplomatic Officers in All Countries except Spain

[Circular telegram]

WASHINGTON, *December 15, 1917.*

In pursuance of resolution mentioned in Department's circular telegrams December 7 and 11, President proclaimed on December 11 that a state of war exists between United States and the Imperial and Royal Austro-Hungarian Government.[1]

LANSING

[1] The proclamation, dealing almost entirely with the treatment of enemy aliens, is printed in the section relating to that subject in *Foreign Relations*, 1918, Supplement 2.

File No. 763.72/8202b

The Secretary of State to the Ambassador in Spain (Willard)

[Telegram]

WASHINGTON, *December 15, 1917.*

783. Inform Foreign Office and request it officially to notify Austro-Hungarian Government that in pursuance of resolution mentioned in Department's 779, December 11, to you, President on December 11 proclaimed that a state of war exists between the United States and the Imperial and Royal Austro-Hungarian Government. Advise consular officers of proclamation.

LANSING

File No. 867n.01/2a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *December 15, 1917, 3 p. m.*

6041. Investigate discreetly and report fully and promptly to Department reasons for Balfour's recent statement relative Jewish state in Palestine.[1]

LANSING

File No. 763.72/7794

The Secretary of State to the Minister in Rumania (Vopicka)

[Telegram]

WASHINGTON, *December 15, 1917, 5 p. m.*

105. Referring to Department's 91, November 28,[2] 100, December 7,[3] and 101, December 8,[3] Department learns with gratification through Roumanian Minister, Paris, December 13, purpose of King and Government to remain loyal to the cause to the end. The Department's instructions to you show clear purpose of United States to assist Roumania.

LANSING

File No. 763.72119/8265

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *December 15, 1917, 7 p. m.*
[*Received 10.21 p. m.*]

1767. Von der Heydt, attached to the German Legation here, is endeavoring through a neutral to send me a written statement for

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[1] See footnote 1, *ante*, p. 317.
[2] *Ante*, p. 325.
[3] Not printed.

transmission to you. Heydt is said to be an intimate of Kühlmann and to be his special man in the German Legation here. He sends word through the neutral that the statement is in connection with the German desire to have a preliminary and confidential decision of a possible basis for peace. Do you wish me to receive this statement? I respectfully request your answer by Monday morning if possible so that the fact that I have cabled you may not be apparent as that would make the matter undesirably official on our part.

GARRETT

File No. 763.72119/8265

The Secretary of State to the Minister in the Netherlands (Garrett)

[Telegram]

WASHINGTON, *December 16, 1917, 9 p. m.*

848. You may receive communication mentioned in your 1767 making it clear that you are acting entirely unofficially and as an individual and that you will deny receipt in case it becomes public.

LANSING

File No. 763.72119/8265

The Secretary of State to the Minister in the Netherlands (Garrett)

[Telegram]

WASHINGTON, *December 17, 1917, 4 p. m.*

849. Referring to your 1767, December 15, 7 p. m., and my confidential telegram 848, December 16, you are instructed as follows:

Unless the neutral referred to in your telegram has official authority from the German Foreign Office to make the statement referred to by you, you will inform him that you can not receive the communication, and if you have received it you will return it to him immediately, stating that you are instructed to receive no communication except one that is official.

LANSING

File No. 763.72/8196

The Minister in Rumania (Vopicka) to the Secretary of State

[Telegram]

JASSY, *December 13, 1917, 8 p. m.*
[*Received December 19, 5.14 a. m.*]

191. Roumanian Minister for Foreign Affairs requested me to send following telegram which has been sent to all the Allies:

A situation parallel to that of Roumania would be difficult to find in history. It cannot be judged according to ordinary notions. We

have [an army which has?] the Germans in front, has around it and in its midst a million Russians who do not wish to fight, who are clamoring loudly for peace and are openly hostile to us because we are not pacifists. Many of them are even plotting against us, organizing conspiracies and are taking measures to prevent eventual departure of the King and Government. Besides they are ready to leave the front and expose us. Our supplies can only come from this Russia which wishes peace at any cost. As part of our infantry is supported by Russian artillery as long as these circumstances last it is certain that Allies cannot count upon action on our oriental front, the Russians being unwilling to fight and our army being unable to fight. In spite of our very cruel losses aggravated from a moral and material standpoint by the devastations of this Russian Army, in spite of famine which is already making all our population suffer, we are determined to stand by our allies until the end and to make all sacrifices which can be really useful to the common cause. In order to follow such a policy we need unconditional confidence of the Allies otherwise all our sacrifices will have been in vain. The Roumanian Government which has never faltered even when it found itself betrayed concludes that it has the right to this unlimited confidence. Such confidence will enable the Roumanian Government to feel free to take such measures as it considers necessary in the execution of this resolution. Only those on the spot are in position to judge and decide in time intricate questions which change every minute and require immediate action. The Roumanian Government would not have full liberty of action if the Allied Governments were not convinced of its good faith and ability to decide what is possible from what not possible. Our aim is to gain time in order to give the Allies an opportunity of preventing a definitive Russian [withdrawal] and we alone are in a position to judge the best means of accomplishing this. Besides our interests are identical, our territory being occupied and our military forces annihilated by the Germans our only hope of salvation is the victory of the Allies. Such a victory is as necessary to us as to them. These remarks are necessary owing to what took place. There will be our decision regarding the armistice as well as by the numerous cases where the good will of our Allies did not materialize in time into useful objects.

VOPICKA

File No. 763.72/13413a

The Secretary of State to the French Ambassador (Jusserand)

WASHINGTON, *December 19, 1917.*

MY DEAR MR. AMBASSADOR: I enclose for your information and for transmittal to your Government if you so desire, a paraphrase of a telegram which was sent yesterday by the Secretary of War to General Pershing.

I am [etc.] ROBERT LANSING

[Enclosure—Telegram—Paraphrase]

The Secretary of War (Baker) to the Commander of the American Expeditionary Force (Pershing)

WASHINGTON, *December 18, 1917.*

The President has been urged by both British and French to accede to their desire to have your forces amalgamated with theirs by regiments and companies; both express the belief that a heavy drive by the Germans is impending somewhere along the line of the western front. While the loss of identity of our forces is not desired, we regard that as secondary to the meeting of any critical situation by the use of the troops at your command in the most helpful manner possible. Where the drive or drives of the enemy will take place it is, of course, difficult to determine. Any redistribution of your forces would be difficult in advance of some knowledge of that question. However, the President desires to accord you full authority to use the forces under your command as you may deem wise after consultation with the Commanders in Chief of the French and British forces. For your consideration it is suggested that it might possibly be well to select places for your forces nearer the junction of the British and French lines in order that you might be in a position to throw your strength in whichever direction it might be most needed. It is not the purpose of the President to press this suggestion beyond whatever merit it has in your judgment; his sole purpose is to acquaint you with the representations which have been made here and to grant you entire freedom of action in making the best possible use and disposition of your forces to accomplish the main purposes in view.

By your conferences with the British and French commanders it is hoped that complete unity and coordination of action can be secured in this matter.

Please keep me informed of the result of any conferences you may have with the French and British commanders and of the line of action upon which you may agree.

File No. 763.72/8248

The Ambassador in Great Britain (Page) to the Secretary of State

No. 7735 LONDON, *December 10, 1917.*

[*Received December 21.*]

SIR: I have the honor to report to you that the Ministers accredited to this Government from Greece, Serbia, and Roumania have called upon me and informally represented to me the harm to the Allied cause that, in their opinion, the Minister of Bulgaria to

the United States is doing by his propaganda, and they express the hope that the United States might see fit to declare war against Bulgaria. I reminded them that this was not the regular channel even of conveying information to our Government; that such representations—if their Governments wished to make them—ought to be through their own Ministers. To this they readily agreed but hoped that an informal statement of their case made to me would not be considered an impertinence.

I have [etc.] WALTER HINES PAGE

File No. 763.72119/1039

The Consul General at Sofia (Murphy) to the Secretary of State

No. 202 SOFIA, *November 17, 1917.*
[*Received December 21.*]

SIR: I have the honor to state that in the Bulgarian National Assembly on the 10th instant, the Prime Minister announced the objects for which Bulgaria is fighting. In the official journal, *Narodni Prava*, of the 15th instant, there appeared a verbatim report of the Prime Minister's speech, translation of which is as follows:

In my answer to the interpellation concerning the question of alimentation, I touched on our aims in the war. Mr. Kirkoff, however, appears not to have heard me. Well! I shall repeat them. Our war aims are fixed: we want the unification of the Bulgarian nation, of the Bulgarian tribe in boundaries which are exactly fixed; we want the annulment of the treaty of Bucharest; a correction of our frontier with Serbia, including in the territory of Bulgaria all of those lands which are populated by Bulgarians, all along the Morava River to the Danube; we want Macedonia with that part which by the treaty of Bucharest was cut off from Bulgaria.

Not only in the National Sobranjé have I underscored the war aims of Bulgaria, I have done the same in Vienna and Berlin. Our war aims are known to the neutrals, they are known even to the countries warring against us, all know that Bulgaria is fighting for her own unification within the historic boundaries of our nation. We are happy to declare that we are masters of that for which we have fought. The treaty of Bucharest no longer exists; that which was taken away from us has been returned. It is even returned to us with an addition, which is demanded by the people and the Government. True, this addition is still in dispute with our allies. The corridor in Dobrudja is in dispute, but I am firmly convinced, that by peaceful and diplomatic means, its solution will be in our favor. We have historic rights over the whole of Dobrudja, which by the treaty of Berlin was given to Roumania by the Russians as a compensation for Bessarabia. Now, Bulgaria wants all of it returned. On this question the whole Bulgarian nation is unanimous, and before our allies, all will sustain the Government.

Yes, the whole Dobrudja must be returned! I think after all that has been said, there will be no necessity to enter any special interpellation concerning our war aims. Our claims are well-known. We are not worried by the formula, "without annexation and without indemnity." Our formula is, "the unification of the Bulgarian nation."

I have [etc.] D. I. MURPHY

File No. 868.00/151

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *December 21, 1917, 7 p. m.*
[*Received December 21, 9.55 a. m.*]

436. Owing to extreme scarcity of food supplies and bad administration Greece is rapidly losing all morale and fighting capacity. Royalists becoming more active and assertive. Unless Venizelos's return[1] brings effective relief, is useless to Entente. Signs of discouragement observable everywhere. DROPPERS

File No. 763.72119/1031

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *December 19, 1917, 3 p. m.*
[*Received December 21, 4.50 p. m.*]

2261. For Harrison from Anderson:

9. Most important interviews at Budapest and Vienna. Count Albert Apponyi was described to me at the Vienna Foreign Office as the broadest-minded aristocrat in the Dual Empire, the wise man of this age, and one whose opinions are the result of sifted and studied evidence based upon confirmed facts. Count Colloredo-Mannsfeld, Chief at the Foreign Office, who married Miss Iselin of New York, and his assistant, Count [omission] mentioned the remarkable accuracy of Count Apponyi's predictions. I heard him say in the United States in 1910, "An outbreak would set the world on fire and in its complications may draw even the United States into its vortex." That was published in his pamphlet in 1911 which in our Congressional Library is pamphlet "JX 1963 A7 Apponyi." Many other statements interesting to-day are worth reading as showing the value of his counsel. His position in the Cabinet is Minister of Education for which he is exceptionally qualified by his universal knowledge and experience. He is 72 years but is not old. He is the

[1] From the Inter-Allied Conference at Paris.

most intimate friend of Count Czernin and consulted by him constantly, as well as by the leaders of the new party in Germany and knows their strength and intentions. He confirms my previous reports to you from German sources of the prepared reforms and change in constitution which must however be established by voluntary action of the people.

The first interview in Budapest lasted over two hours and after it he decided that we would both go to Vienna the next day where he would consult with Count Czernin who had just returned from his trip to Berlin and he would present me to Count Czernin. This I felt obliged to decline with regret telling him that my Government had given consent to my meeting Count Apponyi unofficially but I should not want to do more than my Government had knowledge of until I had their further approval. He said he would have more to say to me after seeing Count Czernin. In the interval between our first and second meeting I made notes of his sayings at the first interview and had him review them at the second meeting. They cover some six sheets and are all important but I will not cable here more than the important items and will send the rest through the pouch of the English Embassy unless requested by you to cable the remainder.

In Vienna he telephoned me at 10 a. m. the next morning that he was commanded to be in attendance at the Royal Closet that day but would see me at 4 p. m. You will notice that Emperor Charles met Count Czernin Friday and Count Apponyi was present, reported in the papers by Havas Agency.

The second interview was longer than the first and after he had been in consultation with His Majesty and Count Czernin. He says His Majesty pretending [*is?*] "the greatest pacifist" he knows. At this interview he also gave me a written statement over his own autograph which I will append later. The heads of the results of my interviews are as follows: There is no crisis in the Dual Empire now. That is passed. The people are calmed. They are depressed and grieved at the action of the United States in declaring war. He himself cannot understand it, as nothing is different now as between the United States and Austria-Hungary than at the time war was declared against Germany. Victory can now be obtained for the Allies on what can be called the Wilson policy. The Lloyd George unfounded optimism is either due to blind ignorance of existing conditions or a desire to mislead his own people. Nothing can be the result of his present policy but more butchery of the fighting forces. Count Apponyi is conservative in using facts and will not count upon a thing being done until it is done, so he uses the conditional in con-

nection with the Russian treaty with the Central powers. He says that if that treaty is carried out it will release to Germany two million fighting men trained to their work. It will be at least one and a half years before America could put that number in the field. If they were ready now it would mean the transporting of 110,000 men every month with their supplies. If Lloyd George believes that excess in numbers of reenforcements will win the war the advantage will lie with the Central powers. He believes the advantage lies in superior efficiency but does not think this war will be won in battles.

The way the war can be stopped now and victory for the Allies, according to the Wilson policy, be secured is by a conference held secretly or openly consisting of one representative each of the following powers, Germany, Austria-Hungary, United States, England and France; Italy if insisted upon. Pending the deliberations of this conference nothing to be changed. No one to be committed to acceptance of any terms beforehand. A sort of meeting of respective counsel of litigants without prejudice. If they are not convinced that a settlement can be reached, that agreements can be affirmed guaranteed, that aims have not been misunderstood, the conferees disband and no harm is done. He is sure that good will result. President Wilson has said he is not warring against the German people. The German people will be the party of the German part to any agreement. He says, "Election to the German Reichstag rests upon the broadest franchise that exists throughout the world and is absolutely without corruption. Every male of the population here votes for his representative in the Reichstag." The Reichstag is the voice of the people and the Kaiser will not resist. Whether the reforms proposed for enfranchisement in the Landtag are accomplished or not (and they will be) that body cannot affect the vote of the Reichstag in the slightest degree. The Reichstag is for peace. No Chancellor can exist now who has not the good will of the Reichstag. This has been proved lately.

A separate peace is positively impossible. This I have confirmed by others representing other parties in the Legislature as will be seen below. Count Apponyi says it would be an "infamy" worse than any that could be described if they should think of disintegration or separation from Germany. They will endure any amount of suffering even to the [fatal?] extreme. Regarding food supply he said I could see there was not plenty but that very limitation of consumption is conserving their supply sufficiently to last. The early and very deep snows that now cover Austria-Hungary are fertilizing and protecting the largest winter seed sowing that has ever been known.

In regard to Károlyi he mentioned him as "my friend Károlyi," said he differed from him somewhat in his views. Károlyi had only 60 votes of the Independent Party. He mentioned him without allusion from me and evidently thought I had seen Károlyi in Berne but I had not and told him so. Count Apponyi said if the present world-wide economic distress could by international cooperation be concentrated against one offending power, acceptance any international agreement could be made compulsory. He has long been the advocate of international concerted action but that is a subject now for future consideration. The following is the autograph statement he gave me:

I must insist on the following two facts:
1. Reduction of armaments, international arbitration and, in a general way, the setting up of an international machinery to prevent war is the official program of Austria-Hungary as stated by the Foreign Secretary Czernin in his speech lately delivered at Budapest; it has received the sanction of the Hungarian Parliament, it has been accepted by Germany, when the Chancellor (or the Foreign Secretary) declared himself in perfect sympathy with Czernin's statement. On the other hand pacifists are denounced as enemies of their country and even legally prosecuted in France and in England.
2. The Central powers are always ready to accept a peace conference of representatives of the belligerents, without any previous acceptance of certain conditions of peace, simply to try how difficulties could be set aside in a spirit of mutual good will. It is France and England that decline even conversations of this unbinding nature.
Let me add to this that democratic reforms, or reforms of any kind, will always be rejected with scorn even by the most advanced parties in our countries, if they are brought to us on the point of the enemy's sword. The natural evolution towards democracy in these countries is greatly discouraged by their being made part of the war program of our enemies. Albert Apponyi.

At the Vienna Bank-Verein, while I was there, Count Anton Apponyi, a nephew of Albert, came in as a customer of the bank and I was introduced to him by Mr. Drucker of the bank who is a friend and great admirer of Mr. Penfield. Count Apponyi knew of my interviews with his uncle and spoke of it before Mr. Drucker who became very much interested. He said he was in touch through Austria-Hungary connections with many important interests and thought while Count Apponyi's statements could be relied upon as exactly true, I also ought to get the views of men of other parties. I told him I was merely a commercial man and not there as a representative of my Government or in any official capacity. He said, even so, he wanted to talk to me unofficially and he wished some of the misunderstandings that he thought had been wilfully spread

abroad could be cleared up. He said 99 per cent of the people of Austria-Hungary were "antagonistic" to the Junker party of Germany, that the only adherents they had at all in the Dual Empire were men, who, on account of their capital, had been let in on financial deals due to profits possible because of the war. There was much more of value from him which I can write.

Count Anton Apponyi volunteered more information about Károlyi. Said he was a man of great wealth, culpably ambitious and "a dangerous fanatic," he was once a strong friend of Count Tisza but tried to obstruct legislation in a way to further his own aims and ambition. Count Tisza opposed and destroyed his obstruction tactics in a way that Károlyi claimed was unconstitutional. They quarrelled, fught a duel and Károlyi lost many followers and friends. I will send more of Count Anton's information on general matters by mail. He is as positive as his uncle that revolution, disintegration or separation from Germany will never be possible in the Dual Empire.

Mr. Drucker wanted me to meet one man, Dr. Julius Organdy, world-renowned as a publicist, one of leading lawyers in Vienna, an authority on political economy and a great philanthropist beloved by the poor. I thought as he was in touch with the common people his information pertaining to the position of the masses would be valuable. I met him with Mr. Drucker Saturday evening. He was emphatic as all others that there was no possibility of revolution or separation from Germany. Said 95 per cent of the Austro-Hungarian [apparent omission] were opposed to the Kast or [*sic*] Pan-German party of [apparent omission] and 100 per cent of the Hungarians; said that party long in a minority were dwindling and having no influence now with any authority in Germany. Confirms what Count Apponyi had said about election to the Reichstag, said the power of the Bundesrat had never been exercised in dissolving the Reichstag and the Kaiser did not control the Bundesrat without the cooperation of two other Kingdoms, members of the German Empire. He said the Landtag was unfairly enfranchised but would be reformed by a bill already drawn. He said the Kaiser is a changed man. There is a tendency to make a powerful commercial man the Prime Minister. He says he knows all about German politics and Government and if I will send a list of questions pertaining to the German political bodies through any Austro-Hungarian Legations he will answer them *seriatim* through the same medium.

My personal observations and further interviews I will write. I have called at the Legation and noted your cables. Will explain to Austrian Legation as instructed and proceed to London and wait your further instructions. I met with most courteous treatment throughout the trip.

WILSON

File No. 867n.01/2

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *December 21, 1917, 6 p. m.*
[Received December 22, 2.05 a. m.]

8033. Your 6041, December 15, 3 p. m.[1] Lord Robert Cecil, in charge of Foreign Office while Mr. Balfour is ill, informed us that the British Government has an understanding with the French Government that Palestine shall be internationalized. Mr. Balfour's letter, printed in the *Times* of November 9, merely [stated] that the British Government pledges itself to put [apparent omission] the Jews in Palestine on the same footing as other nationalities. No discrimination shall be made against them. This is as far as the British Government has yet gone.

Then followed an informal conversation. An internationalized Palestine must be under the protection of some great power. Lord Robert speaking only for himself feared that the continental powers would not agree that any one of them should hold the protectorate and some of them would object even to England's holding it. Still speaking informally and only for himself he hoped that the United States would consent to be the protecting power when the time comes, and he felt sure that all the powers would gladly agree.

PAGE

File No. 763.72119/1034

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *December 22, 1917, 10 a. m.*
[Received December 23, 4.42 a. m.]

2282. Harold F. McCormick of Zürich reports that Kommerzialrat [Meinl], an Austrian visiting Prince Alexander Hohenlohe in Zürich, approached McCormick and asked him whether he could get a message to President Wilson. McCormick replied that he could answer no questions. Meinl stated it would be good to know within eight days what terms would be seriously considered by President Wilson if the Central powers openly propose them. The Central powers did not care again to make proposals which would not be seriously considered. McCormick asked why this was not brought to the United States through a neutral. Meinl replied neutrals were too nervous, better for unofficial person like him to talk to some one like McCormick. Meinl's mission known to authorities although he came in private capacity. He continued saying President's views

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[1] *Ante*, p. 473.

not clearly understood in last message. Meinl claimed to have arrived after consultation with Kühlmann in Berlin and was proceeding to Vienna to-morrow. He told McCormick if any communication was to be made it could be sent through Prince Hohenlohe.

WILSON

File No. 763.72/8264

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 22, 1917, 12 p. m.*
[*Received December 23, 2.30 p. m.*]

2932. Department's 2928, December 7.[1] Was informed Foreign Office to-day that the policy of the French Government in dealing with Roumanian affairs is to keep that country, if possible, from signing any peace terms. A telegram received at Foreign Office yesterday from Bratiano Ministry, announces its opposition to any separate peace. The armistice which that Government will sign is not included in the Russian agreement. Roumania will conduct its own negotiations for an armistice avoiding making any negotiations for peace. Fuller statement as to proposed military plans for Roumania will be found in my No. 2833 [*2933?*] of this date which involves its partial consideration.[2]

SHARP

File No. 763.72/8267

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *December 22, 1917.*
[*Received December 23, 7.10 p. m.*]

1792. *Kreuzzeitung* discussing prospects of Prussian electoral reform points out that there is apparent majority in committee deliberating on the new measures against equal suffrage. Paper criticizes attitude of Socialist press in inciting popular demonstrations in favor of equal suffrage and states that Conservative Party is fighting with clear conscience for conservation of the tried and true forces of old Prussia and will meet the disruptive agitation of Socialists with effective counter-measures however painful and regrettable internal dissension may be at the time.

Rheinisch-Westfälische Zeitung reports that leaders of Independent Socialist Party in Cologne were arrested on 16th and party office placed under military guard.

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[1] *Ante*, p. 458.
[2] Not printed.

Frankfurter Zeitung writes that speech of Prince Max of Baden is concession of German idealism and is addressed to German people. The best thing he said was that the sole effective guarantee of the freedom of a people is the character of that people. His appeal to the sense of responsibility comes at a dark time when the apostles of hate are still preaching their unclean gospel but respect for the enemy is common in the trenches and in reality all humanity is longing to hear again the gospel of truth.

Kölnische Zeitung writes that Asquith's speech is now proof of old saying that bad conscience breeds loquacity. The speech is nothing but expression of fear of submarine war and final recognition of our military victory hence its engaging moderation.

Vorwärts writes that Asquith talks like cautious man who doesn't want to bind his hands. He repeats old fiction that Germany hasn't made known her peace terms and doesn't dare break with old idea that England must pass moral judgment on Germany. In saying England combats German militarism alone he overlooks fact German militarism cannot be curtailed without killing thousands of Germans. His assurances that England merely waits to perform painless operation on Germany cannot but have comic effect in Germany. It is clear that German militarism cannot be overcome in military way but only in political way through peace with courts of arbitration and international disarmament. Both sides are in favor of the same peace with sole distinction that we want it now without being beaten and other side want it some time later after we have been beaten. Although we are determined opponents of militarism we have no other reply to demand that we must be beaten but to say we are sorry but cannot help to that end. *Vorwärts* writes that Hertling's statements in reply to Lloyd George's speech that no negotiation with men of that type was possible was ill advised and recalls the famous war cry, "No terms with Hohenzollern." It is for English to decide how long they want to keep Lloyd George and when they are ready to negotiate with us for peace we shall not look at the men whom they send but at proposals they bring.

Kölnische Volkszeitung welcomes aggressive spirit which Hertling's words breathe and hopes that this new course will be adhered to.

Magdeburgische Zeitung writes that Germany gladly hears Hertling's proud reply that no negotiation with Lloyd George possible. Words like these have been wanted for long time and 'tis hoped they will be followed by further words and deeds in same direction. Press features report of German offer to talk peace with England last September. Socialist papers express great regret at lost opportunity to terminate war.

Schwäbsche Tagwacht says that whole affair exposes evils of secret diplomacy and fully justifies Socialists' demand for publicity regarding peace terms.

Vorwärts demands immediate publication of Germany's peace terms and expresses alarm at statements in Pan-German press to effect that military authorities suppressed German communication to England at critical time.

Frankfurter Zeitung writes that much still remains to be cleared up before true idea can be formed of what actually happened but that world will be unable to understand even now why it should be impossible for discussion to take place now that readiness of both sides is established. Paper thinks Germany's position wouldn't be compromised at all were she to take Balfour's statement at its worth and give him an opportunity to act in accordance with what he said in Parliament and *Tageblatt* writes that incident is bloody tragedy of errors but that 'tis impossible to let matters rest as they are now, as the result of chance or distrust. Germany knows that British Government declared with approval Entente its readiness to receive any communication from German Government and Europe should know before Christmas that no step once decided upon in principle has been omitted even after the explanation now given of the affair.

Germania writes that more important than criticizing failures of the past is the duty of seeing whether things cannot be brought in motion again if only to deprive enemy of pretext for placing blame for failure of negotiations on Germany. Pan-German press raves at Government.

Tageszeitung writes that peace offer to England is defeat and undying mortification for Kühlmann's policy and for German Empire and inquires how much longer that born statesman is to remain in office.

Deutsche Zeitung insinuates that affair is part of movement to exclude military authorities from peace negotiations as shown by result of Crown Council of September which declared Germany's disinterestedness in Belgium against votes of Hindenburg and Ludendorff.

Bernhard in *Vossische Zeitung* expresses satisfaction at this latest failure of German diplomacy since he believes it would be extremely perilous for Germany to reach any premature understanding with England.

Tageblatt writes that armistice agreement with Russia is based on fair understanding between contracting parties and will be received in Germany with great satisfaction especially on account of liberal provision for intercourse between the two countries.

Frankfurter Zeitung comments that Russian Government is acting under pressure of necessity. The war is totally and irrevocably lost

for Russia so that accommodating attitude on her part is only natural. The Germans and their allies speak as victors but the tone in which they speak, the demands they make and the whole spirit in which they approach the reorganization of affairs in east are best possible refutation of all those calumnies uttered about Germany in continual speeches of English and other Ministers.

Kölnische Zeitung writes that news of armistice and opening of peace negotiations with Russia has been received by the people quietly. The first real sign of peace hasn't led to any excesses or been conducive to false judgment of entire situation. The people know that in the east we have the probability of peace but in the west the certainty of further severe battles.

Tageblatt writes that Central powers will have to see to it that negotiations with Russia are at all times so conducted that real peace comes in the east and at same time powerful effect is produced on nations of west over inflexible heads of Lloyd George and Clemenceau.

Vorwärts says future of Europe depends on peace negotiations with Russia. German Government has come to parting of ways. If when the masks are dropped the face of land-greedy imperialism is revealed the strongest pillars of Germany's defence which have withstood the most terrific storms in history will crumble away. May the German plenipotentiaries proceed to negotiations with full consciousness of tremendous historic responsibility resting upon them which will pitilessly crush them if they fail. They must bring us full and genuine peace, nothing less will acquit them. *Vorwärts* reports meeting Berlin Majority Socialists passed resolution rejecting all plans of annexation assuring Russian comrades of solidarity with them and stating they expect German Government to agree to peace on basis of right of self-government all nations without annexations or contributions.

Magdeburgische Zeitung writes that German people have now recovered from period of depression following passage of Reichstag peace resolution and that Army and people are filled with newborn enthusiasm which it will be duty of military authorities and Government to guide into channels where it can be most effective at this crucial time.

Leipziger Volkszeitung says it is clearer than ever how far Germany is removed from general peace. The policy pursued by German Government promises to be fatal to peace in the west. It is not by declaring readiness to continue fighting or by threatening German annexations in the west that the Entente desire for peace can be strengthened. Frank and unequivocal statement of Germany's peace terms in sense of democratic peace would have far more effect on English and French war cabinets than any threats by

Hertling. The negotiations with Russia will force Germany to lift the veil from her policy and what is then revealed will decide whether there shall be new war or general peace.

Tägliche Rundschau learns that Independent Socialists were refused passports for Stockholm although one was issued Scheidemann.

Mittags Zeitung prints interview with Persian Minister, Berlin, who stated sympathies Persian people were always with Central powers and that evacuation of Persia by Turkish and Russian troops would soon be arranged.

Tageblatt writes Chancellor and Kühlmann received representatives all parties in conference on peace negotiations with Russia.

Leading papers print denial that Anna Huitems was shot in America as German spy.

Kölnische Zeitung writes that food distribution office for edible fats has been forced to reduce ration of butter and margarine from 90 to 70 grammes weekly commencing January 1 but that general public will not receive more than 62 grammes at most.

Vorwärts of 16th printed memorial of city [*borough?*] of Berlin, Neukölln, to War Food Office dated December 3 and printed as confidential, stating that existing conditions respecting food control and distribution are absolutely untenable and bound to lead to catastrophe unless promptly remedied. *Vorwärts* writes it felt in duty bound to publish document which in showing that municipalities have been forced to exceed maximum prices and deal with profiteers in order to procure enough food for population demonstrates impossibility of Von Waldow's system. This document was widely reproduced in press and *Tageblatt* writes result is that Von Waldow's position is precarious, Michaelis being spoken of as successor. Socialist Hue said in Prussian Lower House coal shortage was acute. Berlin gas works had only five days' supply; Charlottenburg electric light works only ten days' supply. *Vorwärts* of 18th wrote on authority Berlin magistracy Berlin gas works had three days' coal supply only, no new supplies having been received since October 1.

Kreuzzeitung of 20th reported new coal supplies received Berlin which would suffice for some time barring untoward circumstances.

Börsen-Zeitung writes conferences will soon be held in the Reichbank to discuss problems arising from resumption of trade between Russia and Germany with particular regard to prevention of any detrimental effect on German exchange.

Reichsanzeiger of 18th printed proclamation concerning compulsory administration of American enterprises.

Tageszeitung comments that there remains only one act of reprisal against America, namely, the liquidation of American enterprises.

GARRETT

File No. 763.72119/1056

The Minister in the Netherlands (Garrett) to the Secretary of State

[Telegram]

THE HAGUE, *December 23, 1917, 4 p. m.*
[*Received December 24, 2.46 a. m.*]

1796. Your 848, December 16, 9 p. m.,[1] and 849, December 17, 4 p. m.[2] I was not approached in this matter between the dispatch of my 1767, December 15, 7 p. m.,[3] and the receipt of your 849, December 17, 4 p. m.

In accordance with your telegrams but without referring to them, I told the neutral, who took it down verbatim—

I have thought this matter over carefully. Before I will accept anything the neutral bringing it must show me his official authority from the German Foreign Office to bring it and the communication itself must be official. I have been asked to receive a statement; not the other way around. These are the only conditions on which I will receive it and they must be clearly and perfectly understood beforehand, also I am acting as an individual and not officially and if anything about it becomes public, I shall be obliged to deny having received it.

The neutral now informs me that yesterday he saw Von der Heydt who having heard from Kühlmann says that under the present circumstances it might be better to drop the matter. The neutral is of opinion that the episode is ended.

So little confidence can be placed in the discretion of the neutral concerned that it is probably best that this matter did not go further through his instrumentality. Endeavor may be renewed through other means. I feel that I should not assume to refuse apparently serious endeavors but I shall continue to avoid commitment of any kind and in the [4]

[GARRETT]

File No. 763.72/8281

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 24, 1917, 6 p. m.*
[*Received December 25, 2.20 p. m.*]

2941. Following joint telegram dated December 19 from the Ministers of the United States, France, Italy and England at Jassy has just been sent me from the Foreign Office:

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[1] *Ante*, p. 474.
[2] *Ante*, p. 474.
[3] *Ante*, p. 473.
[4] Message incomplete.

Having been notified that Monsieur Take Jonesco, Vice President of the Council, was planning to leave the country which would have risked bringing on a ministerial crisis, we went collectively to declare to him that his departure would be contrary to the interests of the Entente as would also ministerial crisis and should be avoided at any price. Monsieur Take Jonesco gave us to understand event which would soon render a separate peace by Roumania inevitable. He wished to clear his responsibility by his departure. We replied that his presence in the Cabinet and that of the sure partisans of the war was for us a guarantee that all would be done to prevent the realization of such an eventuality. As for the risks of separate peace we confirm our opinion that the King and the present Government will not conclude it as long as the situation in Russia does not render their departure absolutely impossible. The plan of Monsieur Take Jonesco to leave explained to a great extent by his very deep-rooted conviction that his position as chief of the Interventionist Party exposes him in particular to the reprisals of the Germans or the attacks of the Maximalists. He took note of our declaration in assuring us that he would bring it to the attention of the members of Cabinet belonging to his party. We informed the President of the Council of our action.

At that time Monsieur Bratiano told us that the situation was becoming each day graver because of the rapid disintegration of the Russian troops who are abandoning the front and sacking everything along their passage. We were advised that Monsieur Bratiano is going to instruct the Roumanian Ministers, London, Paris and Rome to expose this situation and to ask the advice of our Governments. If such a step should be made we would like to know the result of it. Finally Monsieur Bratiano made known to us that Mackensen had telegraphed to the Roumanian Commander in Chief to ask him if he considered that the armistice with Roumania was replaced by the armistice concluded by Russia for the front extending from the Baltic to the Black Sea. According to the instructions from the Government General Presan replied that Roumania adhered to the armistice signed for the Russian-Roumanian front.

SHARP

File No. 763.72119/1708

Extract from Report of the Special Agent at Cairo (Yale)

CAIRO, *November 12, 1917.*
[*Received December 26.*]

Before the Russian revolution took place the Allies came to a mutual understanding concerning the dismemberment of the Ottoman Empire and the partition of its various parts. It was agreed that the Armenian vilayets of Bitlis, Erzereum and Van should go to Russia, France should take Syria, perhaps including Cilicia, while Great

Britain should have Mesopotamia; Palestine was to be internationalized, an independent Arab kingdom, composed of the hinterland of Syria stretching east as far as Mosul was to be created as a buffer state separating the interests of the three great allies. Such appears to have been the program agreed upon by the Allies previous to the Russian revolution.

After the revolution the Russians repudiated this agreement by proclaiming that they had no territorial ambitions and relinquished previous pretentions to the Armenian provinces of Bitlis, Erzereum and Van. As a result, the program of the other two allies, England and France, had to be somewhat changed. The Armenian Committee at Paris received formal assurances from France and Great Britain that the Armenian provinces would be freed from Turkish tyranny, and that an autonomous Armenian state under the protection of the Allies would be created. It was understood that Great Britain would have Mesopotamia and France, Syria; Palestine and its problems were to be left to be decided later, the future status as yet unsettled.

Early in the year 1917, when the military occupation of Palestine and Syria by the British forces seemed probable, there came to Egypt representing France, Monsieur Picot, former French Consul at Beirut, and Mr. Mark Sykes, an Orientalist and lover of the Orient, who has traveled extensively in the East, representing Great Britain. These two gentlemen, representing respectively French and British interests in Syria, were to all intents and purposes working together in entire harmony. Monsieur Picot called a meeting of all the prominent Syrians in Egypt, Moslems and Christians, and announced to them that he had been appointed by the French Government the future Resident of Syria, and in his speech implied a French protectorate over Syria, and an international control over Palestine or at least over the Holy Places. Mark Sykes likewise interviewed several of the prominent Syrians in Egypt and questioned them in regard to their views. He practically admitted a French occupation of Syria, guarded a discreet silence in respect to Mesopotamia, from which it was implied that Great Britain intended to hold Mesopotamia; spoke of a special arrangement in regard to the Holy Places in Palestine, and asserted that a certain part of Syria, which he said he was not at liberty to disclose at that time, would be independent. His remarks implied that the rule of one of the sons of the King of the Hedjaz over this independent Arab state would be favored by the British.

Military events on the Gaza front proved most disappointing, the political situation in Europe following the Russian revolution was

very obscure, and Monsieur Picot and Mr. Mark Sykes returned to their respective countries without accomplishing anything further.

Then followed the entrance of America into the war, and the declaration by President Wilson of the aims of the United States. England and France later declared their aims, denied the fact that they were fighting a war of conquest, and reiterated the statements in regard to the rights of small nations and oppressed nationalities. And so, in spite of the statements made by Monsieur Picot and Mr. Mark Sykes, the Syrians began to hope and plan for their independence. But among them uncertainty and uneasiness existed and still exists concerning the real intentions of these two powers. There is a doubt in the minds of the Syrians as to whether Great Britain and France will carry out the letter and the spirit of the declarations of their statesmen as regards the rights of small and oppressed nationalities.

WILLIAM YALE

File No. 763.72Su/2a

The Secretary of State to the Ambassador in France (Sharp)[1]

[Telegram]

WASHINGTON, *December 26, 1917, 4 p. m.*

2982. You are instructed to inform immediately the French Government that this Government has decided to participate in the Supreme War Council, and that Gen. Tasker H. Bliss will leave by earliest available transportation for Versailles as its representative.

LANSING

File No. 763.72119/1031

The Secretary of State to the Chargé in Switzerland (Wilson)

[Telegram]

WASHINGTON, *December 26, 1917, 5 p. m.*

1273. Referring to third paragraph Department's 1208, December 10, 3 p. m.,[2] you may furnish your British and French colleagues with information contained in your 2261, Anderson's cable No. 9.[3] Paraphrases thereof have been furnished British and French Ambassadors here to-day.

LANSING

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[1] The same, *mutatis mutandis*, on the same date, to the Ambassadors in Great Britain (No. 6120) and Italy (No. 1013).

[2] *Ante*, p. 466.

[3] *Ante*, p. 478.

Receipt of Translations of the "Secret Treaties" as Published in Russia

File No. 861.00/873

The Ambassador in Russia (Francis) to the Secretary of State

PETROGRAD, *December 5, 1917.*
[*Received December 27.*]

SIR: I have the honor to enclose herewith along with other documents a translation of the so-called "secret treaties" as they appeared in the organ of the Soviets.[1]

I have [etc.] DAVID R. FRANCIS

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[1] Only the enclosures bearing directly on the "secret treaties" are printed, and they are arranged in approximate chronological order of the negotiations rather than that of their publication. For a list of the documents as published, comprising the first instalment and part of the second, see the telegram from the Minister in Sweden, No. 1110, Dec. 4, *ante*, p. 446; see also the footnote thereto quoting his despatch No. 947, Dec. 15, 1917, received Jan. 29, 1918, enclosing the documents listed.

Most of the enclosures to the despatch from Russia, of which a list was compiled in 1921, have since become lost; all enclosures are missing from the despatch from Sweden, in their place being found an incomplete set of copies and summaries made at an unascertained date. Of the documents here printed as enclosures, Nos. 4 and 7 are from texts accompanying the first despatch; Nos. 1, 3, 5, 6, 11, and 12 are wholly or in greater part from copies attached to the second, supplemented by other translations and the Russian originals; Nos. 2 and 8 are from the translations contained in the pamphlet, *Secret Documents and Treaties*, published in Petrograd, January, 1918; and Nos. 9 and 10 are from the translations published in the *Manchester Guardian*, Dec. 12, 1917.

All texts have been compared with the original publication in the *Izvestia* of the Central Executive Committee and Petrograd Soviet of Workmen's and Soldiers' Deputies, Nov. 23, 24, 25, 1917, and that of the treaty of London also with the publication by the British Government in 1920 (Misc. No. 7), resulting in occasional corrections of names, dates, forms, and words; but the translations have not been systematically revised, those made in the Embassy at Petrograd in particular being kept, as nearly as can be established in the case of the copies, essentially in the form received.

With reference to these documents, the following letters were addressed by the Acting Secretary of State and the Secretary to Representative J. Thomas Heflin:

File No. 861.00/1398

WASHINGTON, *March 12, 1918.*

MY DEAR MR. HEFLIN: I trust you will excuse the delay in answering your personal inquiry regarding a passage in the *Congressional Record* of February 8 (p. 2044, last two sentences) from a speech of Mr. Mason, of Illinois.

This Government is not now and has not been in the past concerned in any way with secret arrangements or treaties between European powers in regard to war settlements. As to the secret treaties to which Mr. Mason refers, the Department has no knowledge of their existence or of their terms except through reports emanating from the Bolshevik press.

I am [etc.] FRANK L. POLK

File No. 861.00/1399

WASHINGTON, *March 22, 1918.*

MY DEAR MR. HEFLIN: Referring to your telephone conversation with the Department on Saturday afternoon in respect to the so-called secret treaties between Russia and her allies, I beg to say that I regret very much that the Department's letter of March 12 on this matter was not as definite and specific as you desired. It is understood that you wish to be informed as to whether

[Enclosure 1—Translation]

Memorandum by the Second Political Section of the Russian Ministry of Foreign Affairs on the Agreement Regarding Constantinople and the Straits

On February 19/March 4, 1915, the Russian Minister of Foreign Affairs transmitted to the British and French Ambassadors at Petrograd a memorandum expressing the desire that as a result of the present war, the following territories should be incorporated into Russia: the city of Constantinople, the western coast of the Bosphorus, of the Sea of Marmora, and of the Dardanelles; southern Thrace up to the line Enos-Midia; the coast of Asia Minor between the Bosphorus, the River Sakaria, and a point on the Gulf of Ismid to be determined later; the islands of the Sea of Marmora and the islands of Imbros and Tenedos. The special rights of France and Great Britain within the limits of these territories would remain untouched.

The French and British Governments have expressed their agreement to the above, provided the war be successfully concluded and satisfaction be given to a whole series of claims of France and England, both within the limits of the Ottoman Empire and elsewhere.

These claims, as far as they concern Turkey, amount to the following:

The recognition of Constantinople as a free port for the transit of goods not proceeding from Russia or going there, and of the liberty of passage of commercial vessels through the Straits.

The recognition of the rights of England and France in Asiatic Turkey, to be determined through a special agreement between Great Britain, France and Russia.

The maintenance of the Mohammedan Holy Places and of Arabia under independent Moslem rule.

The inclusion in the British sphere of influence of the neutral zone of Persia, established by an agreement between Great Britain and Russia in 1907.

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or not, as a matter of fact, these treaties are or are not in existence, and whether or not the Department may not be able to determine this through the French and British Ambassadors in this city.

In reply, I beg to say that the Department has no actual proof of the existence of these treaties. The information it has in regard to them is derived from rumors and reports, most of which have appeared in the press. As to obtaining the information you desire from the British and French Ambassadors, I am sure you will appreciate my preference, for obvious reasons, not to make this inquiry of them at the present time.

I regret that so much time has elapsed in answering your inquiry, but this has been necessary in order to ascertain accurately the source of the Department's information in respect to the treaties about which you inquire.

I am [etc.] ROBERT LANSING

Having recognized that these demands, in general, are to receive satisfaction, the Russian Government made, however, certain reservations:

> With a view to formulating Russia's desires concerning the Mohammedan Holy Places, it is necessary to ascertain at once whether these places will remain under Turkish rule, the Sultan keeping the title of calif, or whether it is proposed to create new independent states. In the opinion of the Russian Government it would be desirable to separate the califate from Turkey. In any case, the liberty of pilgrimages must be guaranteed.
>
> Whilst consenting to the inclusion of the neutral zone of Persia in the sphere of British influence, the Russian Government considers it just that the cities of Ispahan and Yezd be assigned to Russia, and also that the part of the neutral zone which cuts in like a wedge between the Russian and Afghan frontiers and extending as far as the Russian border at Zulfikar be included in the Russian sphere of influence.
>
> The Russian Government desires to settle at the same time the question regarding northern Afghanistan contiguous with Russia, in the sense of her desiderata expressed during the negotiations in 1914.

After Italy's entrance into the war, the Russian desiderata were communicated also to the Italian Government, and the latter expressed its consent, provided there be a victorious termination of the war, a realization of Italy's claims in general and in the east in particular, and that Russia recognize for Italy rights identical with those of Great Britain and France within the territories ceded to Russia.

[Enclosure 2—Telegram—Translation]

The Russian Minister of Foreign Affairs (Sazonov) to the Russian Ambassador in Paris (Izvolski)

PETROGRAD, *March 5/18, 1915.*

1226. February 23/March 8 the French Ambassador announced to me in the name of his Government that France is disposed to view with the greatest favor the realization of our desires with respect to the Straits and Constantinople (as outlined in my telegram to you No. 937) for which I asked you to express to Delcassé my appreciation. In his talks with you Delcassé had long before repeatedly expressed the assurance that we may count on the sympathy of France. Before, however, giving us a more definite assurance in the foregoing sense he referred to the necessity of first clarifying the attitude of England, whence he feared objections.

The British Government has now expressed in writing its consent to Russia's annexing the Straits and Constantinople within the limits demanded by us. The only condition it stipulates is the security of its own economic interests as well as a like favorable attitude on our part toward England's political aspirations in other provinces.

I personally, reposing as I do full confidence in Delcassé, consider his assurances perfectly satisfactory. However, in order to satisfy the Imperial Government, it is desirable to obtain a more precise statement to the effect that France agrees fully to satisfy our desires, even as the British Government has done.

SAZONOV

[Enclosure 3—Telegram—Translation]

The Russian Minister of Foreign Affairs (Sazonov) to the Russian Ambassador at London (Benckendorff)

PETROGRAD, *March 7/20, 1915.*

1265. Referring to the memorandum of the British Embassy of March 12, please express to Grey the profound appreciation by the Imperial Government of England's full and final agreement to solve the question of the Straits and Constantinople conformably to Russia's wishes. The Imperial Government fully appreciates the sentiments of the British Government and feels assured that the unreserved recognition of their mutual interests will forever secure the friendship between Russia and Great Britain.

Having already granted the conditions regarding commerce in the Straits and Constantinople, the Imperial Government sees no objection to the confirmation of its agreement to establish: (1) free transit through Constantinople for goods neither proceeding from Russia nor destined to Russia; and also (2) free passage of commercial vessels through the Straits.

In order to facilitate the operation of breaking through the Dardanelles which the Allies have undertaken, the Russian Government is disposed to assist in attracting to this undertaking the states of which the cooperation appears useful to Great Britain and France.

The Imperial Government shares the opinion of the British Government that the Holy Places of Islam must in the future also remain under independent Moslem rule. It is desirable to ascertain whether it is planned to leave these places under the rule of Turkey, the Sultan of Turkey retaining the title of calif, or whether it is proposed to create new independent states, since the Imperial Government would only be able to formulate its desires in accordance with one or other of these assumptions. On its part the Imperial Government would consider most desirable the separation of the califate from Turkey. The liberty of pilgrimages must assuredly be guaranteed.

The Imperial Government confirms its agreement to the inclusion of the neutral zone of Persia in the British sphere of influence. It considers just, however, to reserve that the regions of the towns of Ispahan and Yezd forming with them one inseparable whole should be assigned to Russia in view of the Russian interests existing there.

The neutral zone now penetrates as a wedge between the Russian and Afghan frontiers and reaches the Russian frontier at Zulfikar. It is therefore necessary to incorporate a part of this wedge in the Russian sphere of influence.

Essential importance is attached to the question of the building of a railway in the neutral zone. This matter will require a further friendly examination.

The Imperial Government counts on the recognition of its liberty of action in its own sphere of influence, covering particularly the right of privileged development in this sphere of its financial and economic enterprises.

Finally, the Imperial Government considers desirable the simultaneous settlement also of the questions in northern Afghanistan, contiguous with Russia, in the sense of the wishes expressed by the Imperial Ministry in the preceding negotiations last year.

SAZONOV

[Enclosure 4—Translation]

Treaty between Italy, Russia, France, and Great Britain

The Italian Ambassador at London, Marquis Imperiali, by order of his Government, has the honour to communicate to the Minister of Foreign Affairs, Sir E. Grey, to the French Ambassador (at London), M. Cambon, and to the Russian Ambassador (at London), Count Benckendorff, the following memorandum:

ARTICLE 1. Between the General Staffs of France, Great Britain, Russia and Italy, a military convention must be concluded without delay. This convention will determine the minimum number of the military forces which Russia will have to move against Austria-Hungary, in case the latter should wish to direct all her forces against Italy, in the event that Russia decided to struggle chiefly against Germany. The said military convention will also regulate the questions regarding armistices in so far as such through their nature enter into the sphere of the control of the Supreme Commander of the armies.

ART. 2. On her part, Italy undertakes, with all the means at her disposal, to conduct, in union with France, Great Britain and Russia, war against all the states at war with them.

ART. 3. The naval forces of France and Great Britain will unremittingly and actively cooperate with Italy so long as the fleet of Austria shall not be destroyed or until the moment of the conclusion of peace. Between France, Great Britain and Italy a naval convention to this effect must be concluded without delay.

ART. 4. By the future treaty of peace Italy must receive: the province of the Trentino; all southern Tyrol up to its natural geographical frontier which is the Brenner; the town and district of Trieste; the counties of Gorizia and Gradisca; all of Istria up to the Quarnero, including Volosca and the Istrian islands of Cherso and Lussin, as well as the small islands of Plavnik, Unie, Canidole, Palazzuoli, the islands of San Pietro di Nembi, Asinello and Gruica with the neighbouring islets.

NOTE. 1. In execution of the foregoing in article 4, the frontier will be carried through the following points: from the Piz Umbrail in a northerly direction to the Stelvio and farther along the watershed of the Rhætian Alps it will proceed right up to the sources of the River Adige and the River Eisach, after which it will pass through the Reschen and Brenner Mountains and the heights of the Oetz and Ziller. After that the line of frontier must return south, cut the mountain of Toblach and proceed to the present frontier of the Carnic Alps; following it, it will proceed to Mount Tarvis, and then pass along the watershed of the Julian Alps through the Predil Pass, Mount Mangart, the Tricorno and the watersheds of Podberdo, Podlaniscam and Idria. Thence the frontier will proceed in a southeasterly direction to the Schneeberg in such a way that the basin of the River Save and its affluents should not form a part of the Italian territory. From the Schneeberg the frontier line will go down to the coast comprising Castua, Mattuglia and Volosca as Italian possessions.

ART. 5. Italy will also receive the province of Dalmatia within its present boundaries, including within its limits to the north Lisarica and Tribania, and to the south all possessions up to a line drawn from the coast at Cape Planka eastwards along the watershed, in such a way that among the Italian possessions should enter all the valleys lying along the course of the rivers that empty at Sebenico, such as the Cicola, the Kerka and the Butisnica with all their affluents. In the same way there will be assigned to Italy all the islands lying to the north and west of the coasts of Dalmatia, beginning with the islands of Premuda, Selve, Ulbo, Scherda, Maon, Pago, and Patadura towards the north, and southward as far as Meleda, including the islands of St. Andrew, Busi, Lissa, Lesina, Tercola, Curzola, Cazza and Lagosta with all the rocks and islets lying near them, and also Pelagosa, but exclusive of the islands of the Great and Little Zirona, Bua, Solta and Brazza.

Are to be neutralized:

(1) The entire coast from Cape Planka in the north to the southern extremity of the Sabbioncello Peninsula in the south, including that entire peninsula in the neutralized zone.

(2) A part of the coast beginning with a locality lying ten versts south of the cape "Old Ragusa," and southwards to the stream Voïussa so that there should be comprised in the neutralized zone the entire Gulf of Cattaro and the ports of Antivari, Dulcigno, San Giovanni di Medua and Durazzo, saving that the rights of Montenegro which proceed from the declarations exchanged by the contracting parties in April and May 1909 must not be infringed. However, considering that these rights were recognized for the present possessions of Montenegro only, they must not be subsequently extended to the territories and harbours which might be assigned to Montenegro. Consequently, no part of the coast now belonging to Montenegro is to be subject to neutralization. Are to remain in force the restrictions concern-

ing the port of Antivari to which Montenegro herself expressed her consent in 1909.

(3) Finally, all the islands that shall not be accorded to Italy.

NOTE 2. The following territories on the Adriatic will be included by the powers of the Quadruple Entente in the limits of Croatia, Servia and Montenegro: in the northern Adriatic the entire coast from the Bay of Volosca which is on the border of Istria to the northern frontier of Dalmatia, including all the coast now belonging to Hungary and the entire coast of Croatia, the port of Fiume and the small harbours of Novi and Carlopago, as well as the islands of Veglia, Pervicchio, Gregorio, Goli and Arbe; in the southern Adriatic, where Servia and Montenegro are interested, all the coast from Cape Planka to the River Drin with the important ports of Spalato, Ragusa, Cattaro, Antivari, Dulcigno, and San Giovanni di Medua, and with the islands Great Zirona, Little Zirona, Bua, Solta, Brazza, Jaclian and Calamotta.

The port of Durazzo to be assigned to the independent Mohammedan state of Albania.

ART. 6. Italy is to receive in entire ownership Valona, the island of Saseno and a territory extensive enough to secure them from a military standpoint, approximately between the River Voïussa in the north and east, and up to the frontier of the district of Shimar in the south.

ART. 7. Italy, having received the Trentino and Istria, according to article 4, Dalmatia and the Adriatic islands, according to article 5, and the Gulf of Valona, must, in the event of the formation in Albania of a small autonomous neutralized state, not oppose the possible desire of France, Great Britain and Russia to divide between Montenegro, Servia and Greece the northern and southern frontier districts of Albania. Its southern coast from the frontier of the Italian province of Valona and up to the Cape Stylos is to be neutralized.

Italy will be accorded the right to conduct the foreign affairs of Albania; at all events Italy is bound to agree to leave to Albania a territory sufficiently extensive in order that the latter's frontiers coincide west of Lake Ochrida with the frontiers of Servia and Greece.

ART. 8. Italy is to receive in entire ownership all the islands of the Dodecanese now occupied by her.

ART. 9. France, Great Britain and Russia recognize in principle the interest of Italy in the maintenance of the political balance of power in the Mediterranean and her right to receive at the partition of Turkey a share equal to their own in the Mediterranean basin, namely, in that part thereof which is contiguous with the province of Adalia where Italy has already acquired special rights and secured interests reserved in the Italo-British convention. The zone to be delivered into the possession of Italy will be more definitely delimited at the proper time in conformity with the interests of France and Great Britain. In the same way, the interests of Italy are to be taken into consideration also in the event that the territorial integrity of Turkey in Asia should be supported by the powers for a further period of time, and in case there should take place only a delimitation of spheres of influence among them. In the event that France, Great Britain and Russia during the course of the present war were to occupy certain provinces of Turkey in Asia, all the province contiguous with Adalia, and below more accurately defined, is to be left to Italy which also reserves for herself the right of occupying it.

ART. 10. In Libya are recognized to Italy all the rights and privileges which have hitherto been accorded to the Sultan on the basis of the treaty of Lausanne.

ART. 11. Italy is to receive a part of the war contribution corresponding to the extent of the sacrifices and efforts she shall have made.

ART. 12. Italy adheres to the declaration made by France, England and Russia regarding the leaving of Arabia and of the Holy Places of the Mohammedans under the control of an independent Mohammedan power.

ART. 13. In the event that the French and British colonial possessions in Africa shall be increased at the expense of Germany, France and Great Britain recognize in principle to Italy the right to demand for herself certain compensations in the sense of an extension of her possessions in Eritrea, Somaliland, in Libya and the colonial provinces contiguous with the colonies of France and England.

ART. 14. England undertakes to facilitate to Italy the immediate realization on the London market on favourable terms of a loan for an amount not less than 50 million sterling.

ART. 15. France, England and Russia assume the obligation to support Italy as regards the non-admission by her of representatives of the Holy See in any diplomatic action whatever regarding the conclusion of peace or the regulating of questions bound up with the present war.

ART. 16. The present treaty is to be kept secret. As regards the adhesion of Italy to the declaration of September 5, 1914, this declaration only will be made public immediately after the declaration of war by or against Italy.

Having taken cognizance of the present memorandum, the representatives of France, Great Britain and Russia, having been duly empowered thereto, have agreed with the representative of Italy, who has also been empowered by his Government for this purpose, that: France, Great Britain and Russia express their entire agreement to the present memorandum, presented to them by the Italian Government. As regards articles 1, 2, and 3 of this memorandum, which concern the coordination of the military and naval operations of the four powers, Italy declares that she will begin active operations in the nearest possible future and, in any event, not later than one month after the signature of the present document by the contracting parties.

The undersigned have affixed their signatures and seals to the present agreement in London, in four copies.

26 April 1915.

SIR EDWARD GREY
CAMBON
MARQUIS IMPERIALI
COUNT BENCKENDORFF

[Enclosure 5—Telegram—Translation]

The Russian Minister of Foreign Affairs (Sazonov) to the Russian Ambassador at Paris (Izvolski)

PETROGRAD, *February 24/March 8, 1916.*

948. Referring to my telegram No. 6063, 1915. At the forthcoming conference you are to be guided by the following general principles:

The political agreements made among the Allies during the period of the war must remain unshakable and are not subject to revision. Such is the Russian agreement with France and England regarding Constantinople, the Straits, Syria and Asia Minor, as well as the London treaty with Italy. Propositions regarding the distribution of Central Europe are premature. Russia, however, will accord entire freedom to France and Great Britain as regards the fixing of the western frontiers of Germany, counting that those allies will accord Russia equal liberty in the establishment of her boundary with Germany and Austria.

It is especially necessary to insist on the exclusion of the Polish question from the subjects of international deliberations and on the elimination of all attempts to put the future of Poland under the guarantee and control of the powers.

As regards the Scandinavian powers, efforts should be made to restrain Sweden from hostile action towards Russia, and there should be in connection therewith a consideration of the measures for attracting Norway on the side of the Allies in case war with Sweden should not be averted.

Roumania having already been offered all the political advantages capable of inducing her to take up arms, it is quite useless to seek new allurements for that power.

The question of forcing the Germans out of the Chinese market is of the very gravest significance but, since its solution is impossible without the collaboration of Japan, it would be preferable to refer consideration of it to the economic conferences in which Japanese representatives will take part. Such reference does not exclude the desirability of an exchange of views on the subject through diplomatic channels between Russia, France and England.

SAZONOV

[Enclosure 6—Translation]

Memorandum by the Russian Ministry of Foreign Affairs on the Question of Asia Minor

February 21/March 6, 1917.

As a result of the negotiations that took place during the spring of 1916 [1] in London and Petrograd, the British, French and Russian Governments came to an agreement regarding the future distribution of their zones of influence and their territorial acquisitions in Asiatic Turkey, as also regarding the forming within the borders of Arabia of an independent Arab state or of a confederation of Arab states.

This agreement in its general lines amounts to the following:

Russia acquires the provinces of Erzerum, Trebizond, Van and Bitlis, as well as the territory of southern Kurdistan along the line Mush-Sert-Ibn Omar-Amadia-Persian frontier. On the coast of the Black Sea the terminal of the Russian acquisitions would be a point west of Trebizond to be determined later.

France receives the strip along the coast of Syria, the vilayet of Adana and a territory bounded on the south by the line Aintab-Mardin up to the future Russian frontier and on the north by the line Ala Dagh-Caesarea-Ak Dagh-Yildiz Dagh-Zara-Egin-Harput.

Great Britain acquires the southern part of Mesopotamia with Baghdad, and reserves for herself the ports of Haifa and Acre.

By an agreement between France and Great Britain, the zone between the French and British provinces will form a confederation of Arab states, in which the zones of influence will be determined at the same time.

Alexandretta is declared a free port.

With a view of safeguarding the religious interests of the Allied powers, Palestine along with the Holy Places will be separated from the Turkish territory and will be subjected to a special régime by agreement of Russia, France and Great Britain.

In view of the general rule, the signatory powers to this agreement bind themselves mutually to respect the concessions and privileges that had existed up to the war in the regions acquired by them.

They agree to share in the Ottoman debt proportionately to their respective acquisitions.

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[1] Completed in April and May.

[Enclosure 7—Translation—Extract]

Memorandum by the Russian Minister of War (Polivanov) on the Circumstances of Rumania's Entrance into the War and the Latest Considerations Regarding the Rumanian Question

Since the outbreak of the European war Roumania had officially assumed a neutral attitude, which very often and perceptibly hesitated towards one side or the other according to the progress of military operations. It was based on two principal impulses: the wish not to be late for the partition of Austria and the effort to squeeze as much as possible out of the belligerents.

Our successes in Galicia and Bukovina in 1914 and in the beginning of 1915 (the taking of Lemberg and Przemyśl) and the appearance of our advance detachments on the farther side of the Carpathians brought the question of Roumania's entrance into the war on the order of the day. The negotiations that were begun were protracted owing to the insistence of our military authorities on carrying through the strategical frontier in Bukovina in such a way that this entire province should remain in the possession of Russia. At the end of May of the same year began our retreat from Galicia and Poland together with the evacuation of Bukovina. In conjunction with this a change took place in the disposition of the governing circles in Roumania and the negotiations concerning her entering the war ceased of themselves. At the close of 1915 and in the beginning of 1916, after the devastation of Serbia and the entrance of Bulgaria into the war, Roumania's policy inclined very perceptibly to the side of our enemies. The Roumanian Government at that time passed a whole series of very advantageous commercial agreements with Austria and Germany regarding the sale of wheat and the delivery of other foodstuffs, receiving in exchange therefor gold and necessary manufactured articles. This circumstance caused our military, financial and commercial departments to show greater precaution with regard to exporting from Russia to Roumania both military supplies and stores of various kinds that might fall into the hands of our enemies. Actually the entire exportation was almost stopped.

The brilliant offensive of General Brussilov in the spring and summer of 1916 once more inclined Roumanian neutrality to the side of the Entente powers and made it possible to resume the interrupted negotiations concerning her entrance in the war.

It should be remarked that from the very outset the Chief of Staff of the Supreme Commander in Chief considered the maintenance by Roumania of neutrality more advantageous for us on military grounds than her active participation in the war. But subsequently General Alexeiev adhered to the Allies' point of view, who saw in Roumania's entrance into the war the dealing of the *coup de grâce* to Austria and the approach of the end of the war.

In August 1916 there was signed with Roumania a military and political agreement according her territorial aggrandizements (Bukovina, the Banat, Transylvania) such as evidently did not correspond to Roumania's share in the military operations as she undertook to declare war on Austria-Hungary alone and was preparing to limit her operations to Transylvania only.

. . . . . .

November 7/20, 1916.

[Enclosure 8—Telegram—Translation]

The Russian Minister of Foreign Affairs (Pokrovski) to the Russian Ambassador at Paris (Izvolski)

PETROGRAD, *January 30/February 12, 1917.*

507. At a Supreme Audience M. Doumergue communicated to the Emperor the aspirations of France as follows: After the war is over France would like to secure the return of Alsace-Lorraine as well as a special position in the valley of the River Saar; she would further like to effect a political segregation of Germany's trans-Rhenish dominions and to establish them on a special status so that the River Rhine might in the future serve as a formidable strategic protection against all German intrusion. Doumergue expressed the hope that the Emperor's Government will not hesitate at once to formulate its consent to these desires. It pleased His Imperial Majesty to accept in principle these propositions. I therefore requested Doumergue to communicate to me, after corresponding with his Government, the agreement which could then be shaped after the form of an exchange of notes between the French Ambassador and myself. Meeting thus the desires of our ally I deem it, however, incumbent upon me to put on record the viewpoint expressed by the Imperial Government in a telegram of February 24, 1916, No. 948, viz.: Leaving to France and England full liberty in defining the western boundaries of Germany, we hope on our part that the Allies will leave to us a like liberty in marking our boundary lines with Germany and Austria-Hungary.

Therefore, the said exchange of notes regarding the question raised by Doumergue furnishes us the grounds upon which to ask

the French Government at the same time to confirm its consent as to Russia's free hand in establishing her western borders. We shall in due time forward the Paris Cabinet exact data respecting this question.

We furthermore deem it necessary to ask consent of France to abolish after the war the servitudes attaching to the Åland Islands. Please reach a conclusion in the foregoing sense with Briand and telegraph the outcome.

POKROVSKI

[Enclosure 9—Translation]

The Russian Minister of Foreign Affairs (Pokrovski) to the French Ambassador in Russia (Paléologue)

No. 26 PETROGRAD, *February 1/14, 1917.*

In your note of to-day's date Your Excellency was good enough to inform the Imperial Government that the Government of the Republic was contemplating the inclusion in the terms of peace to be offered to Germany of the following demands and guarantees of a territorial nature:

1. Alsace-Lorraine to be restored to France.

2. The frontiers are to be extended at least up to the limits of the former Duchy of Lorraine and are to be drawn up at the discretion of the French Government so as to provide for the strategical needs and for the inclusion in French territory of the entire iron district of Lorraine and of the entire coal district of the Saar Valley.

3. The rest of the territories situated on the left bank of the Rhine which now form part of the German Empire are to be entirely separated from Germany and freed from all political and economic dependence upon her.

4. The territories of the left bank of the Rhine outside French territory are to be constituted an autonomous and neutral state, and are to be occupied by French troops until such time as the enemy states have completely satisfied all the conditions and guarantees indicated in the treaty of peace.

Your Excellency states that the Government of the Republic would be happy to be able to rely upon the support of the Imperial Government for the carrying out of its plans. By order of His Imperial Majesty, my most august master, I have the honor, in the name of the Russian Government, to inform Your Excellency by the present note that the Government of the Republic may rely upon the support of the Imperial Government for the carrying out of its plans as set out above.

Be pleased to accept [etc.]

[No signature in published text]

[Enclosure 10—Telegram—Translation]

The Russian Ambassador at Paris (Izvolski) to the Russian Minister of Foreign Affairs (Pokrovski)

PARIS, *February 26/March 11, 1917.*

168. My answer to telegram [No. 507 continued from] No. 167. No. 2. The Government of the French Republic, anxious to confirm the importance of the treaties concluded with the Russian Government in 1915 for the settlement on the termination of the war of the question of Constantinople and the Straits in accordance with Russia's aspirations, anxious, on the other hand, to secure for its ally in military and industrial respects all the guarantees desirable for the safety and the economic development of the Empire, recognizes Russia's complete liberty in establishing her western frontiers.

IZVOLSKI

[Enclosure 11—Telegram—Translation]

The Russian Minister of Foreign Affairs (Tereshchenko) to the Russian Chargé at Paris (Sevastopulo)

PETROGRAD, *September 11/24, 1917.*

To be communicated to London and Rome.

4225. Referring to your Nos. 947 and 952. Ribot's explanations to you concerning his declaration in the Chamber regarding the eastern frontiers of France are not entirely sincere. Neither in the exchange of notes with Paléologue nor in my verbal explanations with Noulens was the question raised of a connection between this agreement and that relative to Constantinople and the Straits. Noulens proposed that, simultaneously with the agreement concerning the French frontiers, I should publish the treaties made before the war, i.e., notably the Franco-Russian military convention. In reply I remarked that such publication of a generally known treaty would confuse public opinion and produce fresh insistence that agreements made during the war also be published. Publication of some such agreements, in particular of the Italian and Roumanian, is deemed inadmissible by our allies.

In any event, we are not disposed to add to France's difficulties in this matter and to put Ribot in a still more awkward position. However, with a view to avoiding for the future any such misunderstandings as have twice arisen owing to his declarations in the Chamber, I request you to declare officially to the French Government that there would be no objection on Russia's part to the publication of

all common agreements, including those made during the war, if consent thereto is forthcoming on the part of the other interested allies. Regarding the agreement relative to Asia Minor, I will communicate to you my considerations in a special supplementary telegram.

TERESHCHENKO

[Enclosure 12—Telegram—Translation]

The Russian Minister of Foreign Affairs (Tereshchenko) to the Russian Chargé at Paris (Sevastopulo)

PETROGRAD, *September 12/25, 1917.*

4239. Referring to your No. 947. From the standpoint of Russian interests, the agreement relative to Asia Minor cannot be regarded as a thing apart. Its fulfillment depends on that of the agreement regarding the Straits. This idea has been unequivocally expressed in the closing phrase of the first telegram giving our opinion as to Constantinople, February 19/March 4, 1915, No. 937, and has been further repeated in the memorandum regarding the Asia Minor agreement transmitted to both the English and the French Ambassadors in Petrograd March 4/17, 1916, No. 205. It is stated in the latter document: There is no doubt that Russia's agreement to the points that precede depends on the fulfillment of that agreement between France and England with regard to Constantinople and the Straits.

Inasmuch as our said declarations were unreservedly accepted by the French Government, it follows that the Asia Minor agreement can not be considered apart from the agreement respecting Constantinople and the Straits, and conversely, any modification in the latter must in some way or other be reflected in the former.

Besides, if, according to Ribot, the agreement relative to Asia Minor be held unfinished, then it has all the less obligatory force.

You will please adhere unswervingly to this viewpoint in the case of further exchange of views with the French Government.

Copy to London.

TERESHCHENKO

File No. 763.72119/1051

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 28, 1917, 12 p. m.*
[*Received December 29, 10.55 a. m.*]

2964. All the papers comment to-day upon the speech of Mr. Stephen Pichon, Minister for Foreign Affairs, in the Chamber of

Deputies yesterday in reply to certain interpellations upon the situation in Russia. With the exception of a few Socialist organs, the comments are very favorable to the Minister's deciding France's attitude towards the peace negotiations being conducted at Brest-Litovsk.

Mr. Pichon declared France was under no delusion as to Germany's designs. She would either make Russia capitulate or break off negotiations. He [said,] "Whenever a direct and definite peace proposal is made to us, we will consider it, but not in an indirect one and we cannot discuss it."

Perhaps no man in France has been in years past closer in the confidence of Mr. Clemenceau than Mr. Pichon and it is generally accepted that his utterances are those of the Premier. After declaring that the acts of the Maximalist government had made impossible for the French Government to have any official intercourse with that body, he announced that France still had duty to perform to help noble and generous ally Roumania whose very existence was threatened by the capitulations which were being carried out all around her on the Russian front. The misfortunes of Roumania were among the most serious consequences monarchist Maximalist doings. Mr. Pichon after declaring that France's war aims had been publicly declared in Parliament, said the first was victory because without it there would be no real peace. The object of victory was not to conquer or dominate, but to bring about a just and humane peace. Anyone who sought to find ideas of conquest among the Allies would seek in vain. France was in complete agreement with President Wilson on every point. It was her duty to assist the oppressed peoples of Bulgaria, Servia and Roumania and also to consider the case of Poland which she wanted to see united and independent with all the political and military consequences of this unity and independence. This desire also applied to the peoples of Armenia, Syria, and Lebanon. Referring to Alsace and Lorraine, Mr. Pichon said that it was not merely one of territory but a moral question of world-wide importance. Whether there would or would not be a lasting peace for the world would depend on whether Alsace-Lorraine was restored to France or retained by Germany.

At the conclusion of Mr. Pichon's speech priority for a Socialist resolution calling for a revision of war aims was refused by 378 votes to 103. A resolution of confidence in the Government and approval of Mr. Pichon's statements was also then passed by 304 votes to 9 against it, though the Socialists abstained from voting.

SHARP

File No. 763.72/8355

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 28, 1917, 9 p. m.*
[*Received December 30, 12.23 p. m.*]

2965. Following is translation of joint telegram dated Jassy, December 24, from Ministers of Great Britain, United States, France, and Italy handed me yesterday by Foreign Office:

The preceding joint telegrams[1] given on account of the gravity of the situation in which the Maximalist movement has placed Roumania. This movement, not meeting with any opposition either from the Russians or the Roumanians, daily took greater development to the point of threatening not only the persons of the Russian commanders, but also the King, the Royal Family, the Government and the whole Roumanian population. It was moreover leading to the complete desertion (blank) of the front by the Russian troops and, as the inevitable consequence, the encirclement of the Roumanian troops facing the Austrian-German. Indeed, following the suppression of officers of all grades, and under the emphatic malevolent agitation, etc., the Russian troops were degenerating into bands who were burning and laying the country to waste. Worse still, the systematic suppression of any kind of service and organization was condemning these troops to famine. One of the consequences of this state of things, but so discounted by the Germans who have organized the Bolshevik movement, was to envenom still more the relations between the Roumanian population and Army on one side, and the Russian Army on the other. War between allies would have been the inevitable outcome. The representatives, in the presence of the necessity of taking a decision without delay, and availing themselves of the latitude which has been allowed them in case of urgency, the Allied Ministers have deemed it their duty to address to the President of the Council the following letter:

December 21.

Mr. President: You have been pleased to explain to us yesterday the situation in which the powers were convened on December 20 by the President of the Council who laid the whole situation before them. He added that the Roumanian military authorities in agreement with General Shcherbachev and the French military mission, were of the opinion that the present state of things could only be improved by a police operation and purifying measures. According to them, the Roumanian troops, acting at the request of General Shcherbachev, should lend their cooperation to the troops at the disposal of the Russian commander in order to retake the railway station of Socola which the Bolsheviks have seized and where they have concentrated in numbers amounting to several thousands. The dispersion of this hotbed of anarchy and the control of this station which serves the whole Russo-Roumanian front, is absolutely essential to permit the working of the different services of the Russian Army. Mr. Bratiano added that he was perfectly aware that if the said operation of military police was unsuccessful, events would be precipitated, [aggravating situation?] in [which] Roumania is placed as a consequence of the Maximalist action. We recognize the extreme gravity of this

[1] *Ante*, pp. 456, 459, and 489, respectively.

situation. We note the opinion expressed by the military authority regarding the impossibility of putting an end to it without having recourse to the action to [*of*] the Roumanian Army in the shortest possible delay.

During the same conference we were made cognizant of the news from Ukrainia according to which the Ukrainian Government has already successfully taken all possible measures with a view to opposing the Maximalist movement against which it has resolutely pronounced itself. We find it a duty to render justice to the sacrifices which with an entire loyalty the Roumanian people and its heroic Army grouped around their chivalrous King and their Government, have borne in the common cause of Roumania and the Entente.

On the other hand we approve, and are ready to help by every means, the proposed operation of military police which seems to offer the only chance of conciliating the maintenance of order in Moldavia with the imperious necessity of maintaining a front which prolongs the Ukrainian front. We acknowledge that if by misfortune the operation should not bring about this result, and if Roumania should find herself in the impossibility of keeping often reiterated resolution to evacuate all or part of the Army beforehand, even to prepare the departure of the Royal Family and of the legal Government, the Entente must recognize that its ally has done its duty and has loyally fulfilled all its engagements.

We beg Your Excellency kindly to bring this letter to the knowledge of His Majesty as well as of the commissioners.

Kindly accept [etc.]

The question was therefore to have been submitted to a fresh deliberation of the Council of Ministers, presided [over] by the King, at which the Roumanian military authorities were to assist. Meanwhile fresh events arose which will call for still greater urgency. Indeed, last night the Bolsheviks of Socola entered Jassy and attempted at the point of the revolver to seize General Shcherbachev himself. The General was able to have his aggressors arrested by his Russian guard, but, in default of a sure detachment to escort them, he handed them over to the Roumanian troops. Moreover some Bolshevik detachments advanced upon Jassy coming both from Russian territory and from the interior of Moldavia. The execution of the proposed operation of military police thus became unavoidable, especially as important quantities of munitions are stored in the Socola railway station, that is to say, in the hands of the Maximalists.

The Council of Ministers, which assembled during the night, decided at the written request of General Shcherbachev that henceforth it was impossible not to resort to an action imposed by the aggressions of the Bolsheviks themselves. The President of the Council, when informing us of this decision, declared that that was the last attempt by which the Roumanian Government could endeavor to improve an apparently desperate situation. He added that if this attempt did not bring about the expected result, if in other words instead of reestablishing order among the Russian troops it provoked war between the latter and the Roumanian troops, and if at the same time the latter were attacked by the German troops, Roumania would no longer be in a position to make any further useful sacrifices for the Entente. She would consider that she had fulfilled all her duty and that she had no right to expose the country without profit to anybody to further ravages and the Army to destruction.

The President of the Council, if we have understood his words, rightly reserves for his country in the eventuality foreseen by him, approving of concluding a separate peace without however thereby liberating the Entente from its engagements.

We restricted ourselves in referring to our joint letter to stating to the President of the Council that we were bringing his declarations to the knowledge of our Governments.

SHARP

File No. 763.72119/1058

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *December 28, 1917, 11 a. m.*
[*Received December 30, 1.50 p. m.*]

2304. Julius Meinl, Austrian Kommerzialrat, friend of Emperor Charles, and Haussmann, Progressive Reichstag member, held a conference with consul agent Geneva and expressed a desire speak about America and were referred by agent to Edelman.[1]

Vice Consul stated, answering their inquiry concerning America's intentions, that country united behind President and determined to carry out war to end, that if Germany wants peace she must state in definite and tangible form her demands.

Meinl replied Von Kühlmann already renounced all claims to Belgium. Entente committed error in failure to act on July peace resolution of Reichstag. This refusal weakened claims of German people and strengthened Pan-Germans. Haussmann added complete change has taken place in Germany within past few months. Reichstag is governing body, indicated by Hertling's consultation before accepting chancellorship. Even Von Volentini inclined to liberalism. Von Bülow endeavored to become Chancellor but failed to despite known favoring of Crown Prince. Real leader appears to be Ludendorff and he, Hertling and Von Kühlmann are earnest in their desire for peace.

Meinl made following memorandum concerning kind of peace desired:

Society of nations, international arbitration, proportional and mutual disarmament on that basis, Minister's statement about Belgium, evacuation of France, submission of all outstanding questions of European peoples and nationalities to the peace congress on the basis of consideration of the wishes of the people.

Vice Consul explained he could speak in no official capacity but felt certain that too many questions were reserved for peace congress and that clearer statement should be made of more vexing problems. He inquired about Alsace-Lorraine. Meinl replied autonomy was promised these provinces in Reichstag resolution of July 22 [*July 19?*]. Statement to that effect could be included in general peace proposals.

Meinl added Germany would not make serious objection to Turkish question, would not object to withhold conquered territory from

[1] Samuel Edelman, Vice Consul at Geneva.

Turkey, would consent to make Constantinople free port and Dardanelles free passage. Austria has no desire to dominate Balkans. Bulgaria should be permitted to rule territory inhabited by Bulgarians and no other. Austrian Reichsrat has declared for no annexations and would stand by this. Poland would be a separate kingdom. As to Kurland and other occupied territories they should be left for the people themselves to decide within three-year period.

Belgium would be evacuated, certain of its losses to be repaid but not in the form of indemnities.

According to Meinl's statement Germany is ready to make concrete proposals to America provided they were sure American Government would receive them and treat them confidentially. He considered, in the meantime, it would cause excellent impression in Germany if President would include in some speech a declaration somewhat as follows:

We have heard some time ago the voice of the German people but we have not yet heard the voice of the German rulers who, so far as the world knows, have nearly absolute power in their country. Those rulers, who in the minds of the rest of the world are associated with militarism and autocracy, have up to November last failed to reveal their real war aims. If they are really in accord with their people they would do their country and the whole world a great service if at least they would unequivocally declare what their opinion is and what their aims are with regard to the great issues of this war. We do not even know whether they unreservedly indorse the peace resolution of July 19 of the German Reichstag.

See my 2282, December 22, 10 a. m.[1] While it is apparent from these two interviews that Meinl has been instructed to make feelers, I do not believe that too much weight can be attached to his interpretation of the views of the ruling class of Germany, especially in his characterization of Ludendorff as a peace angel.

WILSON

File No. 763.72/8350

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *December 28, 1917, 7 p. m.*
[*Received December 30, 10 p. m.*]

2315. *German political.* Mention has been made in the press of arrests of Independent Socialists in Cologne. This coupled with press articles from serious papers painting food situation in somber colors leads to supposition of at least anticipated troubles with laboring classes. Military leaders have rattled sabers presumably in endeavor to counteract this unrest.

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[1] *Ante*, p. 483.

The speech of Solf concerning future of colonial territory has been printed throughout Germany without unfavorable comment.

It is too early to have received commentary of Germany's answer to Russian peace proposals but the fact that Allied states are given until January 4 only to announce their desire to participate appears to indicate no serious desire on part of German Government for such participation and to be merely another endeavor to reconcile German people to idea of continuing war by making apparent effort to obtain peace.

German economic. A Swiss doctor of confidence just arrived from Berlin reports that conditions there are intolerable, worse than at any stage of the war through shortage of coal and fats. I learn from reliable Swiss source that in Mannheim there is plenty of food and fuel though at exorbitant prices. In Cologne there is serious coal shortage and throughout Germany even factories used for important war products receive only greatly reduced percentage of needed allowance. This shortage is attributed to worn-out conditions of rolling stock and large transportation of troops and munitions.

German military. Italian Legation states on authority eminent personage Central Empires that persistent advertising of projected German offensive on western front is intended to divert attention and withdraw support from Italian front, where a new drive will be made.

From German merchant arriving Basel comes information of tremendous troop movements west through Cologne. One source reports point of attack in projected western offensive will be Cambrai while pro-German Swiss recently arrived Basel from Mainz, Kreuznach and Koblenz states that offensive will begin in Flanders within next few days. Informant adds the extent and enormity of preparations unbelievable and that Germans intend to break the English whom they consider the backbone of the war.

Swiss informant who has recently visited prison camps in Germany reports that German officer states that as Government feared revolution from returning soldiers they will be held at barracks and under military service for two or three years after peace concluded and will not be allowed to return to homes until each has secured employment.

[*Austria-Hungary political.*] Austria-Hungary electoral college reform bill before Hungarian Cabinet if passed will give Magyars about 62 per cent of representatives and the provision that all persons are disenfranchised who have been punished for agitation in matters of nationalities for past five years will act as effective check to Slav nationalities.

Neue Freie Presse of Vienna frankly admits that bill to redistrict Hungary in voting districts will be framed so as to assure Magyar supremacy.

Austria-Hungary military. German informant in hospital corps states that Hungarian Landsturm and Landwehr have replaced all German troops in Galicia.

Bulgaria. Theodore K. Shipkoff, Bulgarian subject, former member Sobranjé and friend of King Ferdinand, informs me that Germany has endeavored repeatedly to force Bulgaria to send troops to France, Mesopotamia and Turkey, and that Bulgaria has consistently refused and will continue to refuse. He states that Bulgaria has won what she desired in war, namely to restore Bulgaria to boundaries of treaty of San Stefano, and that she will do nothing further beyond resisting any endeavor to force her out of this territory. Bulgaria could at any time force Allied army out of Saloniki but they fear to let Austria get a footing there as it would be difficult subsequently to dislodge her. Bulgaria hopes after war to have access to Mediterranean at Kavala and thus be economically independent of Germany and act as barrier against Middle Europe scheme. He states Bulgaria fights only for her unity and independence and will resent any attempt at domination from Germany as from any other power. He hopes for American capital and enterprise to fight German commerce in Bulgaria after war.

I have ascertained from Bulgarian Minister that Shipkoff is what he represents himself to be and an intimate friend of the Minister.

From other sources I hear that Bundesrat are nervous at conciliatory attitude adopted by Germany towards Roumania in Dobrudja questions and gaining ground in Austria to conciliate Servia. These reports led me to feel, while talking to Shipkoff, that Bulgarian Government might be ready to discuss with Entente abandonment of war provided any possible formula could be found.

Turkey. Moukhtar Bey, one of the Turkish delegates for discussion prisoners' questions, stated to reliable informant that he has visited German representatives here repeatedly and that he feels that the German Government is entirely preoccupied with the development of predominant influence in Russia to the exclusion of the Middle Europe scheme and that Turkey has been abandoned to her fate.

Switzerland. Consular officers in all portions of Switzerland confirm what is indicated by press, that signing of convention between the United States and Switzerland has led to most favorable attitude popular opinion towards America and corresponding growth of dislike for Germany.

WILSON

File No. 763.72119/1055

The Chargé in Denmark (Grant-Smith) to the Secretary of State

[Telegram]

COPENHAGEN, *December 31, 1917, 6 p. m.*
[*Received January 1, 1918, 4.35 a. m.*]

1755. Neutral diplomat referred to in Legation's telegram No. 1141, September 3, 5 p. m.,[1] who has again been in Germany, informed member of Legation as follows: Feeling between Foreign Office and Pan-German militarists has grown in bitterness and prestige of latter has declined with plain people who desire peace but who are still absolutely convinced that the war is one of self-defence in which they are fighting for Germany's existence. This conviction based on: (1) alleged revelations of Sukhomlinov trial which they believe prove guilt of Imperial Russia in precipitating war; (2) publication of alleged secret treaties by Bolshevik government; and (3) refusal of Entente Governments to consider "no annexation, no indemnity" program. These last two points they believe prove the predatory character of the Entente's war aims. President's message particularly as interpreted by jingo press considered as support for such war aims. Socialists and Radicals failed to give message their support as they did the answer to the Pope because they believe the President's refusal to see any significance in events of last two political crises, which they regard as a kind of "bloodless revolution" and as very material progress on the road to parliamentary and popular government, shows a complete lack of understanding of German internal political conditions and the difficulties confronting the Liberals.

The Socialists and Radicals also believe that the President's utterances since the United States entered the war have been of immense aid to the Pan-Germans who have succeeded in interpreting the President's message as aimed at interference with Germany's internal affairs and as supporting the extremist war aims of Germany's enemies and who have used these utterances effectively in their campaign against a moderate peace and against the Liberal movement.

The political power of the old conservative Junker party has been largely broken and its members are expending their energies in bitter attacks on the "new men," particularly Kühlmann, and against the new Government's peace platform of "no annexations," etc. The new Government, however, did not feel strong enough to risk the internal political fighting which would have been caused by the intended specific declaration regarding Germany's noninterest in Belgium.

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[1] *Ante*, p. 189.

Kühlmann's influence is at least as great as the Chancellor's and these two with Czernin are regarded as the chief determining factors in the policy of the Central powers. At the present time the influence of the Emperor and his *entourage* has decreased.

Events in Italy and Russia encouraged the Conservatives in their fight to block franchise reform but the general popular encouragement derived from these events was and is really less than indicated by the press. Popular opinion recognizes that peace with Russia is only of minor importance as compared to a general peace. It is the general opinion that the Entente are aiming at a more or less extensive dismemberment of Germany. The strength of the forces arrayed against Germany is not underestimated in spite of the best efforts of most of the press to create the impression that the condition of the Entente is hopeless.

AMERICAN LEGATION

COOPERATION OF THE UNITED STATES WITH THE ALLIED POWERS IN THE PROVISION AND ADMINISTRATION OF FINANCE AND IN THE PURCHASE OF SUPPLIES[1]

Suggestions as to Financial Aid by the British and Italian Governments—Offer of Credit to France, April 5—Requests of the British, French, Italian, and Belgian Governments for Loans under the Act of Congress Approved April 24—The First Advances

File No. 841.51/40

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *March 5, 1917, 1 p. m.*
[*Received March 6, 3.20 a. m.*]

5794. My 5644, February 9, 10 a. m.[2] The financial inquiries made here reveal an international condition most alarming to the American financial and industrial outlook. England is obliged to finance her allies as well as to meet her own war expenses. She

[1] The papers printed in this section do not purport to give a complete account of financial transactions between the United States and the Allied powers, a subject not suitable for full development in these volumes. On the other hand, the total omission of this subject would exclude an important factor in the general process of the organization of cooperation with the Allied powers, culminating in the Inter-Allied Conference of November-December, 1917. The principle governing the selection of these documents is that of showing the problems of financial cooperation, the efforts made toward solving them, and the evolution of the machinery for coordinating financial policy which resulted in the formation of the Purchasing Commission and the Inter-Allied Council on War Purchases and Finance. Papers relating to financial assistance to Rumania are included in a separate section, *post*, page 721. Those relating to loans to Russia are printed in *Foreign Relations*, 1918, Russia, Vol. III.

[2] *Ante*, p. 3.

has as yet been able to do these tasks out of her own resources. But in addition to these tasks she cannot continue her present large purchases in the United States without shipments of gold to pay for them and she cannot maintain large shipments of gold for two reasons: first, both England and France must retain most of the gold they have to keep their paper money at par; and second, the submarine has made the shipping of gold too hazardous, even if they had it to ship. The almost immediate danger, therefore, is that Franco-American and Anglo-American exchange will be so disturbed that orders by all the Allied Governments will be reduced to the lowest minimum and there will be almost a cessation of transatlantic trade. This will, of course, cause a panic in the United States. The world will be divided into two hemispheres one of which has gold and commodities and the other, which needs these commodities, will have no money to pay for them and practically no commodities of their own to exchange for them. The financial and commercial result will be almost as bad for one as for the other. This condition may soon come suddenly unless action is quickly taken to prevent it. France and England must have a large enough credit in the United States to prevent the collapse of world trade and of the whole of European finance.

If we should go to war with Germany the greatest help we could give the Allies would be such a credit. In that case our Government could, if it would, make a large investment in a Franco-British loan or might guarantee such a loan. All the money would be kept in our own country, trade would be continued and enlarged till the war ends, and after the war, Europe would continue to buy food and would buy from us also an enormous supply of things to re-equip her peace industries. We should thus reap the profit of an uninterrupted, perhaps an enlarging, trade over a number of years and we should hold their securities in payment.

But if we hold most of the money and Europe cannot pay for re-equipment there may be a world-wide panic for an indefinite period.

Unless we go to war with Germany our Government of course cannot make such a direct grant of credit, but is there no way in which our Government might indirectly, immediately, help the establishment in the United States of a large Franco-British credit without a violation of armed neutrality? I am not sufficiently acquainted with our own reserve bank law to form an opinion, but if these banks were able to establish such a credit, they would avert this danger. It is a danger for us more real and imminent, I think, than the public on either side the ocean realizes. If it be not averted before its symptoms become apparent it will then be too late to avert

it. I think that the pressure of this approaching crisis has gone beyond the ability of the Morgan Financial Agency for the British and French Governments. The need is becoming too great and urgent for any private agency to meet, for every such agency has to encounter jealousies of rivals and of sections.

Perhaps our going to war is the only way in which our present preeminent trade position can be maintained and a panic averted. The submarine has added the last item to the danger of a financial world crash. During a period of uncertainty about our being drawn into the war, no more considerable credit can be privately placed in the United States and a collapse may come in the meantime.

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File No. 841.51/41

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *March 9, 1917, 3 p. m.*
[Received 5.30 p. m.]

5817. My 5794, March 5, 1 p. m. The Governor of the Bank of England called on me yesterday and confirmed every important statement made in my foregoing telegram. He enlarged on the difficulty of shipping gold because of submarine danger and is embarrassed to know how to pay for supplies from United States already ordered. He asked me if it would now be possible for reserve banks in view of submarine danger to take short time credits. He outlined a plan for the reserve banks to rediscount ninety-day bills guaranteed by the Bank of England and asked me to inquire if this could be done. Please instruct me what answer to give.

PAGE

File No. 865.51/11

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *March 23, 1917, 6 p. m.*
[Received 8 p. m.]

879. Minister for Foreign Affairs first mentioned matter [omission?] Director Stringher of Bank of Italy, official Government bank, called on me and left memorandum suggesting importance of direct financial relations hitherto existing through other markets. After mentioning important effect of financial aid at this moment upon afterwar commercial relations he concludes:

It would be necessary to begin with not less than one hundred and fifty or two hundred million dollars guaranteed by Italian treasury bills payable in dollars both as regards capital and as regards inter-

ests due at appropriate intervals beginning at least six months after conclusion of peace. A syndicate of first-class banks could enter into negotiations with Bank of Italy which is head of financial organizations. The relating agreements would facilitate sale at best terms of North American products in Italy and would help purchases of latter without weighing too much on rate of exchange. The credit opened in above mentioned amount would not be absolutely intended as means for drawing money from New York but probably used for payments due in America for North American products which Italy needs.

This suggestion I commend provided possible as great opportunity exists to occupy field which later will be closed against us.

NELSON PAGE

File No. 841.51/43

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *March 24, 1917, 4 p. m.*
[Received March 25, 6.20 p. m.]

5885. My 5794, March 5, 1 p. m., and my 5817, March 9, 3 p. m. It would be advantageous if it be possible for me to intimate to the Governor of the Bank of England some answer to his inquiry.

Mr. Harding's[1] proposal to lend our Government's credit for a large sum to the Allies has made a deep and appreciative impression here.

The subsequent proposal which seems to have been made in a part of our press that money be not lent but given to the Allies has not been publicly discussed nor has any Englishman even mentioned it to me nor will it ever be openly discussed here so long as it is merely a proposal of the press but it would be received and most gratefully appreciated not only because of the help it would give but far more because of the spirit it would show. The moral return to us in ally appreciation and in friendly feeling for the indefinite future would make it the best possible investment towards maintaining a permanent peace.

PAGE

File No. 851.51/46

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *April 5, 1917, 4 p. m.*

2126. Secretary of the Treasury requests that you communicate with the Minister of Finance and ascertain what amount of loan or credit in the United States would prove most helpful to the French

[1] W. P. G. Harding, Governor of the Federal Reserve Board.

Government at this time to cover the period of say the next six months. Ascertain, also, in what instalments the loan would likely be required, and also to what extent the credit would be employed in the purchase of supplies in this country. It should not be implied that the United States would condition the loan upon its expenditure in the United States alone. The inquiry is made merely to ascertain if the loan would be used here, because it has a bearing upon the method of financing it. Prompt reply is desirable.

LANSING

[For a statement by the British Secretary of State for Foreign Affairs of the Allies' financial situation and needs, see the memorandum quoted in the telegram from the Ambassador in Great Britain, No. 5949, April 6, *ante*, page 11.]

File No. 865.51/13

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *April 6, 1917, 6 p. m.*
[Received April 7, 5.15 a. m.]

901. My No. 897 (879?), March 23. Received calls from Minister Finance, Director Stringher of Bank of Italy and secretary of Minister for Foreign Affairs regarding loan. Stringher's memorandum, supported by Government, I understand, states that Italy particularly desires to participate in financial loan to Allies but directly with America not through Great Britain or France; further it is desired Federal Reserve Board enter into negotiations with Bank of (Italy?) with Bank of England and Bank of France; asks if Federal Government or group of banks will control financial arrangements; feels that it is necessary American Government support agreement; transaction would be secured by Italian Treasury bills payable in dollars both capital and interest. Bills might be due in six months for facilitating negotiations in United States. Bills renewable every six months with engagement to withdraw them six months after peace by periodical installments if longer arrangement not possible.

NELSON PAGE

File No. 851.51/47

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *April 11, 1917, 11 a. m.*
[Received April 12, 12.30 p. m.]

1993. Your 2126, April 5. Upon receipt of your telegram making known the request of the Secretary of the Treasury that I ascertain

from the Minister of Finance the amount of loan or credit in the United States that would be most helpful to the French Government to cover a period of the next six months, I immediately arranged for an appointment with Premier Ribot, until recently as you know the Minister of Finance in the French Cabinet almost since the beginning of the war. Although I expressed a desire to have a joint meeting with him and Mr. Thierry, the present Minister of Finance, yet, owing to the latter's absence from the city for a number of days, and the desire for prompt reply, I took up the matter with Premier Ribot alone. He expressed his very great appreciation of this tender of help on the part of our Government and promised to give me the information which the Secretary of the Treasury requested at the earliest possible moment. In accordance with instructions I made it clear to the Premier that though information was desired as to the probable extent that the credit to be given would be employed in the purchase of supplies in the United States, it must not be at all implied that the granting of such a loan would be in any way conditioned upon such expenditures in our country but was only desired as it would have a bearing upon the method of financing it. Yesterday as per my No. 1992 [1] answer was received from Foreign Office. The following is a verbatim copy of the statement both in text and classification, the English translation herein quoted being made by Foreign Office:

The payments in foreign countries for requirements of the French Government are estimated monthly at a total sum of $218,000,000. They can be filed into two categories:

1. Purchases in the United States:		
(*a*) Payments in New York City	$110,000,000	
(*b*) Payments actually made in London in pounds but finally settled in dollars	23,000,000	
Total		$133,000,000
2. Purchases outside the United States:		
(*a*) Payments in England	75,000,000	
(*b*) Payments in various countries (Spain, Italy, Switzerland, Argentine) other than England	10,000,000	
Total		85,000,000
Grand total of monthly payments to be made by France in the United States and in other foreign countries		218,000,000

Payments in foreign countries (monetary valuations in millions of dollars):

[1] Not printed.

1. Payments in New York:		
War [material] and armaments	$72,300,000	
Requirements of the Army (provisions)	3,000,000	
Civilian requirements (provisions)	12,000,000	
Marine	500,000	
Railway material	6,600,000	
Interest of [*on*] loans	5,600,000	
Mineral oils	1,600,000	
Relief committee	9,000,000	
Total		$110,600,000
2. Payments actually made in London in pounds but finally settled in dollars:		
Frozen meats	10,800,000	
Oats	5,000,000	
Nitrates	3,300,000	
Cotton	600,000	
Canadian timber wood	1,000,000	
Wools	2,200,000	
Total		22,900,000
3. Payments in various countries (Spain, Italy, Switzerland, Argentine) other than England		10,000,000
4. Payments in England other than under 2:		
(*a*) War ammunitions	25,000,000	
(*b*) Coal, freights, cast-iron and sheet-iron, etc	50,000,000	
Total		75,000,000
Grand total		218,500,000

The Premier in our conversation stated to me that personally he hoped no resolution would be introduced or debated on the floor of Congress looking to making a gift on the part of our Government to France however much his countrymen might appreciate the sentiment of good will which would prompt it. In view of the action of France in the agreements entered into by Franklin representing our country in the time of our own distress in the years 1782 and 1783 it would however, if I may be permitted to make this suggestion, seem a most generous and gracious thing to do, if such an arrangement is feasible, in making a loan to France at this time to provide that no interest shall accrue or be payable on such loan for the duration of the war and for a limited number of years hereafter.

SHARP

File No. 865.51/200

The Italian Ambassador (Macchi di Cellere) to the Secretary of State

WASHINGTON, *April 19, 1917.*

MR. SECRETARY OF STATE: As yesterday I had the pleasure of handing you some data in reference to Italy's transportation needs,

I feel that it may be a convenience if I were to note some features of her financial affairs.

The Italian Government, as is only too evident, are under the necessity of arranging credits in this country for such supplies as they are obliged to purchase here. The excellent condition of Italy's finances has enabled her to obtain at home, without difficulty, all the money needed there; but the rise in the rates of foreign exchange (at times causing the lira to be worth only a little more than one-half its normal value in this market) make it almost prohibitive to transfer money to this country.

In 1916 Italy borrowed $25,000,000 in the United States through the sale of Italian Treasury notes. This loan, which matures in October next, was really an experimental one as is indicated by the amount, Italy never before having borrowed through the sale of national securities in a foreign market.

Later on, in consequence of the success of the small loan, negotiations were opened for a very large transaction, but, when they were proceeding in a most encouraging way, a public statement from the Federal Reserve Board on local investing in unsecured loans of foreign nations, suddenly put an end to all hope of obtaining necessary aid in that form, as bankers then were unwilling to consider loans excepting such as were secured by collateral. Italy having always adopted a policy of investing her resources internally was unable to meet the suggestions to furnish as security governmental, railway, industrial or other obligations issued in neutral countries.

As I intimated in a private conversation I had the pleasure of having recently with the Secretary of the Treasury, Italy will require about $300,000,000 for her most urgent purchases in the United States until next autumn. But the figures contained in the memorandum I handed to you yesterday and which I herewith send you again with additional indications of the purchase prices implied,[1] show that such amount must be very materially increased in order to meet Italy's demand for supplies up to June 30, 1918.

In view of the generous assistance so liberally offered by the American Government to the Entente Allies towards the prosecution of the common cause to ultimate victory I have felt it my duty to acquaint you with the foregoing circumstances, so that the amount of the loan of which Italy is anxious to avail herself may be agreed to upon a knowledge of her urgent requirements.

Accept [etc.] MACCHI DI CELLERE

[1] Not printed.

File No. 763.72/3921

The Secretary of State to the British Ambassador (Spring Rice)[1]

No. 1542 WASHINGTON, *April 20, 1917.*

EXCELLENCY: The Department has been asked by the Secretary of the Treasury to advise him if your Government has a representative in this country who is authorized to incur obligations in its behalf of the kind contemplated by the bond bill now under consideration in the Congress of the United States.

This Government is of opinion that in addition to the power to sign the bonds of your Government which are to be purchased by the United States your representative should also have the power to agree to terms and conditions which will be an essential part of the general transaction.

I should be greatly obliged if you will answer my inquiry as soon as possible.

I have the honor [etc.]

For the Secretary of State:
FRANK L. POLK
Counselor

File No. 841.51/46

The British Ambassador (Spring Rice) to the Secretary of State

No. 113 WASHINGTON, *April 23, 1917.*
[*Received April 24.*]

SIR: It is the desire of my Government to borrow at the earliest practicable date, the sum of $200,000,000 from your Government. I will appreciate very much if you could place me, or those whom I may indicate, in communication with the Secretary of the Treasury of your Government, so that negotiations may be taken up for the loan mentioned.[2] The authority to sign the necessary documents covering such transaction as may result from my negotiations with the Secretary of the Treasury, is in my hands.

I have [etc.] CECIL SPRING RICE

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[1] The same, on the same date, to the French (No. 1834), Italian (No. 269), and Russian (No. 209) Ambassadors.

[2] The contents of this note were communicated to the Secretary of the Treasury Apr. 24.

File No. 851.51/49

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *May 2, 1917.*
[*Received May 3.*]

MR. SECRETARY OF STATE: The Government of the French Republic wishes to enter upon a loan contract with the Federal Government at the earliest possible date.

Under the circumstances, I should be very grateful to Your Excellency if you will kindly put either me or the representatives whose names I shall furnish in contact with the Secretary of the Treasury of the United States in order to begin the negotiations for the said loan.

I have received the requisite power to sign all instruments connected with the transaction that would come out of the said negotiations.

Be pleased to accept [etc.] JUSSERAND

File No. 841.51/874

The British Ambassador (Spring Rice) to the Secretary of the Treasury (McAdoo)

WASHINGTON, *May 3, 1917.*

SIR: Adverting to my letter of the 24th [*23d*] ultimo with reference to the loan of $200,000,000 made by the United States Government to the British Treasury, I now have the honour to apply for a further advance of an equal amount on similar terms to cover the obligations of my Government falling due in the United States of America during the month of May.

In accordance with the suggestion made in the conference of yesterday it is proposed that the advance should be made in three parts, as follows: $50,000,000 on the 5th instant, $75,000,000 on the 15th instant and the balance of $75,000,000 on the 25th instant.

I take this opportunity of stating that the requirements of my Government for the next six months in the United States of America are estimated to amount to $1,500,000,000.

This figure may conveniently be divided into two sums. The first covers the existing open account in which the British Government are indebted to the extent of $400,000,000. A large proportion of this debt has been contracted on behalf of our allies, both by direct ad-

vances to them and by indirect payment on their behalf made over the London exchange in New York. It is hoped that this may be regarded as a first charge on the credits to be advanced by the United States Government.

The balance of $1,100,000,000 has been arrived at after a careful scrutiny of our requirements and effort to curtail them to the bare necessary minimum. It is based both on experience of the rate of our expenditure in the past, and on the actual present commitments of British War Department, which now amount to $650,000,000.

I beg to emphasize that in estimating our requirements at the above figure of $1,500,000,000 it is assumed that all the expenses of our Allies in the United States of America including their expenses for exchange so far as that is required in connexion with American transactions, and including existing commitments on their behalf for munitions for which we are at present responsible to the extent of $190,000,000 are disposed of by direct advances by the United States Government to those Allies individually.

I have [etc.] CECIL SPRING RICE

File No. 841.51/874

The Chief of the British Special Mission (Balfour) to the Secretary of State

WASHINGTON, *May 5, 1917.*

DEAR MR. SECRETARY: The Chancellor of the Exchequer asks me to convey to you the warmest thanks of His Majesty's Government for the generous financial aid afforded by the United States Government. His Majesty's Government are most appreciative of the promptitude with which Mr. McAdoo has met the immediate financial obligations which they had undertaken in the United States on behalf of the Allies.

May I add a cordial expression of my own gratitude?

Yours very sincerely,

ARTHUR JAMES BALFOUR

File No. 855.51/6

The Belgian Minister (De Cartier) to the Secretary of State

No. 860 WASHINGTON, *May 7, 1917.*

[*Received May 8.*]

SIR: It is the desire of my Government to negotiate with your Government for a loan of $90,000,000, under the conditions which are expressed in the act of Congress, approved April 24, 1917; and to

that end, I would be obliged if you would kindly put me into communication with the Secretary of the Treasury, in order that further details may be presented to him.

In the meanwhile, I wish to state that I have received from my Government powers to act in the matter, which are expressed in the following terms, viz.:

The Belgian Government does hereby confer upon E. de Cartier, Minister Plenipotentiary of Belgium to the United States of America, the fullest power to contract for a loan or loans from the Government of the United States, to settle the conditions and the amount thereof, both as regards method of repayment, interest and terms, and to settle any other matters necessary in the premises; the power is also conferred upon him to sign, in its name and for it, the certificate of indebtedness and to issue receipts for such sums which shall be credited to the Royal Belgian Government and to do any acts that may be necessary in order to comply with section 2 of the Act of Congress approved April 24, 1917.

This power is available for inspection by the Secretary of the Treasury and will be shown to him at his request.

Please accept [etc.] E. DE CARTIER

File No. 841.51/50

The Secretary of the Treasury (McAdoo) to the Secretary of State

WASHINGTON, *May 9, 1917.*

MY DEAR MR. SECRETARY: In order that you may be fully informed of all negotiations between myself and the representatives of foreign governments in meeting the financial needs of their governments, as authorized under the terms of the act of April 24, 1917, I am sending you this communication to advise you with reference to loans to the British Government.

The following loans have now been made:

April 25, 1917	$200,000,000
May 5, 1917	25,000,000
May 7, 1917	25,000,000

In each instance I received from the British Ambassador a certificate of indebtedness of his Government in the amount stated above, signed by him under proper authority, and I in turn handed to the Ambassador a Treasury warrant for a similar sum.

The Ambassador has indicated to me that further advances to the British Government during the present month are desired in the sums of $75,000,000 on the 15th instant, and $75,000,000 on the 25th instant. He has also informed me that the requirements of his Government in this country for the next six months are esti-

mated to amount to $1,500,000,000. This estimate is based on the assumption that it does not include any advances that may be made to other Allied Governments or commitments on their behalf for munitions for which the British Government is now responsible to the extent of $190,000,000.

I am giving the matter of further loans my consideration, and will keep you fully advised in the premises.

Sincerely yours,

W. G. McAdoo

File No. 851.51/51

The Secretary of the Treasury (McAdoo) to the Secretary of State

WASHINGTON, *May 9, 1917.*

MY DEAR MR. SECRETARY: I have the honor to acknowledge the receipt of your letter of May 4, inclosing translation of a note from the Ambassador of the French Republic concerning the desires of his Government to enter into a loan contract with the Government of the United States.[1] I have been in touch with the French Ambassador and yesterday completed negotiations with him for a loan of $100,000,000, $50,000,000 of which was made available on May 8, 1917. Negotiations for the remaining $50,000,000 will be completed on a later date during the present month, at which time I will advise you.

In arranging this first loan to the French Government, I received from the French Ambassador a certificate of indebtedness of his Government in the sum of $100,000,000, signed by him under proper authority, and I in turn handed to the Ambassador a Treasury warrant for $50,000,000, it being stipulated in the certificate of indebtedness that a first payment should be made immediately of the latter sum, and of the remaining $50,000,000 at a date to be mutually agreed upon between the Ambassador and myself.

Sincerely yours,

W. G. McAdoo

File No. 865.51/27

The Secretary of the Treasury (McAdoo) to the Secretary of State

WASHINGTON, *May 9, 1917.*

MY DEAR MR. SECRETARY: Carrying out my purpose to keep you fully informed of all negotiations concerning loans to the Allied Governments, I have the honor to inform you that on May 3, 1917,

[1] Letter of May 4 not printed; for translation of the note from the French Ambassador, a copy of which was enclosed, see *ante*, p. 525.

a loan of $25,000,000 was made to the Royal Italian Government. I received from the Italian Ambassador a certificate of indebtedness of his Government in the sum of $100,000,000, signed by him under proper authority, and I in turn handed to the Ambassador a Treasury warrant for $25,000,000 as a first payment, it being stipulated in the certificate of indebtedness that this latter sum would be paid immediately, the remaining $75,000,000 being advanced to his Government at a date or dates in the present month to be mutually agreed upon by the Ambassador and myself.

As further advances are made available to the Royal Italian Government under this arrangement, I will advise you.

Sincerely yours,

W. G. McAdoo

File No. 855.51/7

The Secretary of the Treasury (McAdoo) to the Secretary of State

WASHINGTON, *May 16, 1917.*

MY DEAR MR. SECRETARY: I have the honor to acknowledge the receipt of your letter of May 8 [1] enclosing a copy of a communication from the Belgian Minister at this Capital concerning the desire of his Government to negotiate with the United States for a loan of $90,000,000.

I am giving consideration to the question of advances to the Belgian Government and have written to the Minister that I will be glad to negotiate a loan to his Government of $45,000,000 payable in monthly installments of $7,500,000 each,[2] and that I will be prepared to close the transactions for the first installment in my office to-day at 4 p.m.

I have also informed the Minister that I will give consideration at a later date to the matter of a further advance to his Government.

Respectfully,

W. G. McAdoo

File No. 841.51/53

The Assistant Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *May 25, 1917.*

MY DEAR MR. SECRETARY: In the absence of Secretary McAdoo, I have the honor to report the fact that to-day, in accordance with

[1] Not printed; for communication from the Belgian Minister, a copy of which was enclosed, see *ante*, p. 526.

[2] According to a telegram forwarded for the Treasury Department Oct. 26, 1917, "This amount it was understood would be expended for purposes of civil relief, and probably through the instrumentality of the Belgian Relief Commission." *Foreign Relations*, 1918, Supplement 2, section on Belgian Relief.

the program heretofore laid out and already indicated to you, the British are receiving an advance of $75,000,000, thus closing the sum of those advances which have been absolutely agreed upon by the Secretary of the Treasury, with that Government. Further determinations await the return of the Secretary of the Treasury.

I have further to report that the Italian Ambassador received $75,000,000 completing the taking over by them in money of the $100,000,000 loan which was previously reported to you as having been agreed to by Secretary McAdoo and witnessed by an obligation of the Italian Government, which specified that the total amount should be received in various sums during the month of May. The taking of this money closes also the absolute commitment made by Secretary McAdoo to the Italian Government.

Holding myself entirely at your convenience to give you any further information concerning these matters, I remain

Very respectfully,

OSCAR T. CROSBY

British Representations as to the Inadequacy of Sums Provided—The Question of Taking up the "Morgan Overdraft"—Replies to British Representations

File No. 841.51/72

The British Embassy to the Department of State

TELEGRAM FROM MR. BALFOUR TO SIR C. SPRING RICE, MAY 26, 1917

Convey the following personal message to the Secretary of the Treasury.

I learn that there is some doubt as to securing necessary funds from the United States Government for purchases in America. I know how completely you realize that failure in this respect would now spell complete disaster. Would it not be possible for you to get assurance from President to relieve us from anxiety.

[No signature indicated]

File No. 841.51/874

The Commercial Adviser of the British Embassy (Crawford) to the Secretary of the Treasury (McAdoo)

WASHINGTON, *May 29, 1917.*

SIR: With reference to the Ambassador's note of May 3 last,[1] I now have the honour to apply for an advance of $185,000,000 to

[1] *Ante*, p. 525.

cover the requirements of my Government in the United States for the month of June.

I would suggest that the advance should be made in two instalments, $100,000,000 on the 10th of June and the remaining $85,000,000 on the 25th of June.

I have [etc.] RICHARD CRAWFORD

File No. 841.51/55

The Assistant Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *June 9, 1917.*

MY DEAR MR. SECRETARY: In the absence of Secretary McAdoo, I have the honor to report the fact that to-day, in accordance with arrangements previously made, the British are receiving an advance of $75,000,000, this being the first advance made to that Government during the month of June. Further advances during the present month will await the return of Secretary McAdoo.

I shall be glad to hold myself at your convenience to furnish you any further information on these matters, and beg to remain

Very sincerely yours,

OSCAR T. CROSBY

File No. 855.51/9

The Assistant Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *June 13, 1917.*

SIR: I have the honor to acknowledge, for the Secretary of the Treasury, the receipt of your letter of June 6,[1] inclosing copy of a note from the Belgian Minister regarding the desire of his Government to negotiate for an immediate loan from this Government of $10,000,000 and for a monthly loan of $1,500,000 from April 1, 1917.

We have been in communication with the Belgian Minister with reference to these negotiations, and he has been informed that under the present very great pressure in the last few days of the Liberty Loan campaign it is impossible to finally consider the matter. He has been informed, however, that we will be pleased to discuss the subject further with him at an early date.

The Department will be very glad to keep you fully informed of its negotiations on the loans in question.

Very truly yours,

OSCAR T. CROSBY

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[1] Not printed.

File No. 841.51/58

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 27, 1917, 9 a. m.*
[Received 2.10 p. m.]

6545. The Chancellor of the Exchequer sought me late yesterday and showed me a telegram from Lever [1] reporting Lever's disappointment at failing to receive an expected installment of loan when he called at the Treasury Department in Washington a few days ago. Mr. Bonar Law expressed to me the hope that this disappointment may turn out to be only temporary. In the course of the conversation he informed me that no definite arrangement had been made about the total amount to be lent. Such a definite arrangement including dates of payment might save further disappointments. I ought to add in justice to Bonar Law that he showed utmost appreciation and no disposition unduly to depend on us.

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File No. 841.51/216

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 28, 1917, 10 p. m.*
[Received 10.30 p. m.]

Mr. Balfour asked me to a conference at 7 o'clock with him, the Chancellor of the Exchequer and their financial advisers. It was disclosed that financial disaster to all the European Allies is imminent unless the United States Government advances to the British enough money to pay for British purchases in the United States as they fall due.

Bonar Law reports that only half enough has been advanced for June and that the British agents in the United States now have enough money to keep the exchange up for only one day more. If exchange with England fall, exchange with all European Allies also will immediately fall and there will be a general collapse. Balfour understood that in addition to our other loans and our loans to France and Italy, we would advance to England enough to pay for all purchases by the British Government made in the United States. He authorizes me to say that they are now on the brink of a precipice and unless immediate help be given financial collapse will follow. He is sending an explanatory telegram to Spring Rice.

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[1] Sir S. H. Lever, British Financial Secretary to the Treasury.

I am convinced that these men are not overstating their case. Unless we come to their rescue we are all in danger of disaster. Great Britain will have to abandon the gold standard.

PAGE

File No. 841.51/874

The British Ambassador (Spring Rice) to the Secretary of State

WASHINGTON, *July 1, 1917.*
[*Received July 2.*]

MY DEAR MR. SECRETARY: I am instructed by His Majesty's Principal Secretary of State for Foreign Affairs to call your immediate attention to the financial position of Great Britain in regard to the war inasmuch as it is of an urgent and critical character. It appears, indeed, to Mr. Balfour that the United States Treasury do not realize how perilous the situation truly is, namely, that there is danger that the ability of His Majesty's Government to effect payments in America from to-day onwards will be in jeopardy.

The effect which will be produced on the progress of the war by a collapse of the exchange will be no less disastrous than a great military reverse, for not only will all commercial relations between the two countries, including the cotton trade, be thrown into complete disorder entailing the stoppage of the entire private export business from the United States, but, further, the basis of financial relations of all the Allies with the rest of the world will be removed, and a general collapse of credit and of all financial confidence will inevitably result.

It is to be remembered that His Majesty's Government have, single-handed, borne the burden for nearly three years, of financing the whole of the Allied powers, and have never failed to furnish them with the monies which were indispensable to enable them to meet their actual liabilities whether in the United Kingdom or elsewhere.

When Mr. Balfour was here, he discussed the matter thoroughly with the United States Government and left with the full understanding that they would relieve His Majesty's Government definitely of the expenditure, in the United States, of the other Allied powers calculating from the day on which the United States entered into the war. Up to the present time however His Majesty's Government have borne Russia's entire expenditure in the United States amounting to some $50,000,000 and they have not been informed that this sum will be repaid.

So far as British requirements are concerned His Majesty's Government have never feared that the United States Government would

not give the financial support required. Indeed upon the entry of the United States into the war His Majesty's Government abandoned financial expedients previously contemplated in order that the American market might be free for the Liberty Loan operation. The needs of His Majesty's Government for the six months beginning June 1 were communicated in writing to the Secretary of the Treasury on May 3rd during the presence of Mr. Balfour in Washington and the specific assistance desired for June was indicated in my note to the Secretary of the Treasury of May 29th. It was confidently expected that these needs would be met.

Now during the month of June the following transactions have taken place. The British Government have received from the United States Government the sum of $150,000,000. They have had to supplement this however by bringing in $125,000,000 in gold and by the sale of securities in America to the value of $10,000,000 and on the 28th ultimo they were forced to authorize their financial representative in New York to bring in a further $25,000,000 in gold. Thus you will perceive that, in the course of this month, only about half of the British expenditure in the United States has been met by the United States Government.

The increase in our exchange expenditure during June arose largely from the withdrawals by American banks of their sterling balance in London, presumably to pay for the Liberty Loan. The amount of these withdrawals has already exceeded $100,000,000 during the course of the month. This is in effect a diminution of the amount loaned by the United States.

In view of the practical depletion of our resources in gold and marketable securities I am instructed to present to you a formal request for the following financial assistance. It is desired—

(1) That the commitments which His Majesty's Government has undertaken in this country on behalf of Belgium and Russia may constitute a first charge on the first loans made to these two countries, and may be repaid to Great Britain with the least delay possible;

(2) That an arrangement may be come to immediately between the United States Treasury and the British agents in America defining the amount of assistance which can be granted to His Majesty's Government for the months of July and August and that the first instalment for the month of July ($100,000,000) may be made available by the 4th of July at the latest;

(3) That assistance may be given to cover the amount of our overdraft with New York bankers amounting to about $400,000,000. It was explained to the Secretary of the Treasury in April and again in my communication of May 3rd that this overdraft had been incurred mainly in order to enable our other allies to carry on and he agreed that this sum might be included in our

application and regarded as a first call on the credits under the loan.

Mr. Balfour desires me to add that the friendly nature of the discussions which he had on these matters with the statesmen of this country did not leave him in any doubt as to the intentions of the United States Government to meet this situation and that the first and third requests which are now put forward merely embody in a formal manner points which he fully understood to express the settled intentions of the United States Government.

In conclusion Mr. Balfour desires me to add that the foregoing urgent requests are presented solely on account of the immediate and grave necessities of the situation which he is convinced have only to be realized by the United States Government for relief to be forthcoming.

I am [etc.]

(For the Ambassador)
COLVILLE BARCLAY

File No. 841.51/63

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 5, 1917, 8 a. m.*
[Received 5.30 p. m.]

6645. Late yesterday I attended a financial conference, to which I was called, of the Prime Minister, the Chancellor of the Exchequer, the Foreign Secretary, the Governor of the Bank of England, and their advisers about the $400,000,000 overdraft which the British Government owes Morgan. They informed me that on April 6 Spring Rice telegraphed that he had received a definite promise that this sum would be paid the British Government to meet this overdraft and that it should be the first call on the Liberty Loan. They say also that on April 9 the Governor of the Bank of England received the same promise from Mr. McAdoo. On June 29 Mr. Balfour telegraphed Spring Rice reminding him that this overdraft was to be paid out of the Liberty Loan. The foregoing was made quite clear in their statement to me; then followed something less clear, namely, that they understood that since the Liberty Loan was received by our Treasury on July 1 this overdraft was to be paid July 2. I remarked that first call did not necessarily mean July 2, but it turned out that the British officials in the United States, for some reason not made very clear, expected to receive the $400,000,000 on July 2 and that Morgan then expected to receive that sum from British officials. Yesterday Morgan telegraphed his expectation and disappointment. The conference asked me to report the foregoing and to express the hope that this sum would be

speedily paid. In the course of an extended conversation I reminded them of the disadvantage of failing to have all financial agreements reduced to writing and of the probable confusion caused by having so many persons taking up financial subjects with our Government. They then informed me that Northcliffe was their authorized financial agent and that he had not lately been able to see McAdoo because of McAdoo's absence. I promised to send you this telegram and I suggest that McAdoo's understanding of the matter be telegraphed me with whatever assurance he may give of the payments of this overdraft and the date when its payment may be expected.

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File No. 841.51/64

The Acting Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *July 6, 1917.*

SIR: I have the honor to advise you that to meet their urgent financial requirements, loans and credits have been made on the fifth and sixth instants to the British, French, Italian and Russian Governments in the following sums:

To the British Government, a loan of $100,000,000;

To the French Government, a credit of $100,000,000, on which an advance of $30,000,000 was made, it being tentatively arranged to advance the remaining $70,000,000 under the credit on Monday, July 9;

To the Italian Government, a credit of $60,000,000, on which $20,000,000 was advanced, the balance of $40,000,000 being carried as a credit to cover contracts for war supplies ordered in June and deliverable at an early date, and

To the Russian Government, a loan of $35,000,000, this being a first payment under the credit of $100,000,000 extended to that Government on May 16, 1917.

For your convenience, I am inserting the following tabulation of loans to date to foreign governments under the act of April 24, 1917:

Country	Loans and credits agreed upon	Loans made	Balance under established credits
Great Britain	$685, 000, 000	$685, 000, 000	
France	310, 000, 000	240, 000, 000	$70, 000, 000
Italy	160, 000, 000	120, 000, 000	40, 000, 000
Russia	100, 000, 000	35, 000, 000	65, 000, 000
Belgium	45, 000, 000	15, 000, 000	30, 000, 000
Serbia	3, 000, 000		3, 000, 000
Totals	1, 303, 000, 000	1, 095, 000, 000	208, 000, 000

Very sincerely yours,

OSCAR T. CROSBY

File No. 763.72/5741

The British Embassy to the Department of State

MEMORANDUM

The following draft scheme for an Inter-Allied Council will, subject to approval by the War Cabinet, be submitted officially to the Allies:

1. An Inter-Allied Munitions Council of five members or ten representing the Governments of France, Great Britain, Italy, Russia and the United States respectively shall be established in London to examine and coordinate demands for munitions and raw materials thereof required by Allied Governments or their nationals from the United States and to submit a programme of such requirements to the United States Government. In the case of the United States supplies being insufficient to meet the requirements of any of the Allies in any particular, the representative of such Government will present to the council such information as he may think necessary in support of his application.

The Allied Governments will not place orders or attempt to obtain offers or make enquiries in the United States for any of the materials specified below except in accordance with the programme submitted and reported on by the Inter-Allied Council.

The Allied Governments shall further exercise such supervision over their respective nationals as shall secure that no private orders are placed in the United States except in accordance with the programme approved by the council which will make provision for essential civilian requirements.

2. Requirements to be submitted to the United States Government by the Inter-Allied Council shall include munitions and raw materials and machinery required for their manufacture as specified in the attached schedule.[1]

3. The Inter-Allied Council shall consider these requirements in the light of tonnage and finance available for the articles mentioned in the schedule; and no demand shall be put forward which has not been approved by the financial department of the Government concerned as being provided for under financial arrangements between such Government and the United States Government and also by shipping department of such Government as being consistent with the programme of available tonnage.

4. The members of the council will use the delegation of their Governments on the Commission Internationale de Ravitaillement (or, in the case of the British member, the Ministry of Munitions) as their staffs.

Applications put forward by the Allied delegations on the Commission Internationale de Ravitaillement for purchases outside of the United States out of British credits will be dealt with in accordance with financial agreements between the British and other Allied Governments.

Applications put forward for purchases in the United States will be immediately referred by the Commission Internationale de Ravitaillement to the Inter-Allied Council.

[1] Schedule not found in files.

5. The Governments of Belgium, Serbia, Rumania, Portugal and Montenegro shall have the right to present their requirements in respect of supplies to be financed by the United States Government and to make representations in connection therewith jointly or severally to the Inter-Allied Council using their delegations on the Commission Internationale de Ravitaillement for this purpose.

6. Recommendations of the council and results of their discussions shall be transmitted to the United States Government by the American representative.

In the event of its being found impossible for any reason to meet the whole of the Allied requirements in the United States, the Inter-Allied Council will prepare a reduced programme for the approval of the respective Governments and after having obtained agreement will submit it to the United States Government through the American representative together with a statement as to the relative urgency of the various items contained therein.

The French Minister of Munitions has been approached informally and asked to send representatives to England who will be authorized to approve the scheme; the Italian and Russian Governments are being approached unofficially. It is hoped to obtain the approval of the general principle by France and Italy before July 7, if not by Russia.

His Majesty's Ambassador has received instructions to inform the United States Government of the stage which negotiations have reached and to submit to them the desirability of considering the appointment of their representative. It is also suggested that they might advantageously inform the Italian and Russian missions in the United States of what is being done indicating that it would be convenient to the United States Government if the Italian and Russian Governments were to fall in with the general proposal.

The council should be as authoritative as possible. If the Allies favour the proposal it is hoped that a British Minister may be found to act as president. This point may help the United States Government in considering the type of representative.

The schedule mentioned above covers all articles dealt with by the Ministry of Munitions including all kinds of motor vehicles, aeroplane requirements, railway materials, also guns, ammunition and materials required by the Admiralty, but not ships or fuel oil.

Since the machinery for the collaboration of the Russian Government will probably not be established for some weeks and in view of the importance of avoiding complication of the tonnage situation by Russian requirements being dealt with in the United States without reference to arrangements already made, it is suggested that the United States Government should work in consultation with Lord Milner's committee in accordance with the semi-official proposals made by members of Mr. Balfour's mission. In the opinion of His

Majesty's Government the best way of doing this would be for the United States Government to appoint a liaison officer on the committee who would report its proceedings to Washington and also, if desired, refer matters from the United States for the opinion of the committee. Such collaboration appears urgent in view of the competition which is already arising in railway material. Any such arrangement would presumably be superseded on the establishment of the Inter-Allied Council.

In submitting the above for the consideration of the United States Government, His Majesty's Ambassador has the honour to request that he may be furnished with their views thereon in due course.

WASHINGTON, *July 2, 1917.*

[*Received July 7.*]

File No. 841.51/67

The Secretary of the Treasury (McAdoo) to the Secretary of State

WASHINGTON, *July 9, 1917.*

MY DEAR MR. SECRETARY: The President has transmitted to me the letter dated July 1,[1] addressed to you by Colville Barclay, Esq., for the British Ambassador, making, under instructions from Mr. Balfour, various representations as to British financial requirements, and a formal request for certain specified financial assistance. I beg to request that you communicate the following reply to the British Ambassador:[2]

It is true that the Secretary of the Treasury did not know that there was danger that the ability of His Majesty's Government to effect payments in America would be in jeopardy; nor could the Secretary of the Treasury, without far more complete and detailed information than has been furnished him by the financial representatives of the British Government, have been aware of this. The Secretary of the Treasury has received the information contained in the note of the British Ambassador with the gravest concern.

As to the probable effect which would be produced on the progress of the war by a collapse in British exchange, it is not clear from the note in question that the maintenance of British exchange at any given figure is in the mind of Mr. Balfour nor that the United States can intervene in the matter except in so far as it automatically intervenes through the making of the loans that have been or may be made to the British Government to cover purchases of supplies required to be made in America.

In respect to the burden borne by the British Government for nearly three years of financing "the whole of the Allied powers," it is in the general knowledge of the Secretary of the Treasury that large sums have thus been lent to other belligerents, but specific information asked concerning this point has not yet been laid before

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[1] *Ante*, p. 533.

[2] Communicated to the British Ambassador July 13.

the Secretary of the Treasury: neither in respect to the amounts lent to each of the other belligerents, nor in respect to the rates of interest paid by those belligerents, nor in respect to any other conditions which may have been attached to the making of such loans. A figure of approximately $5,000,000,000 has been stated as covering the amount loaned by the British Government during nearly three years of the war, and it may be noted that the request of the British Government alone for assistance from the United States Government is at the rate of $3,000,000,000 per annum, and that the requests from other governments added to those of the British Government would, if acceded to, carry the loans of the United States Government to far more than $5,000,000,000 in one year.

The Secretary of the Treasury regrets that Mr. Balfour left with the understanding that the United States Government would relieve the British Government definitely of the expenditures in the United States of the other Allied powers, and that it should have been confidently expected that the needs of the British Government, as communicated on May 3,[1] and the specific assistance desired for June, as indicated in the Ambassador's note of May 29,[2] would be met. It is to be regretted that general expressions of good will and a general discussion of the needs of foreign Governments, and of the possibility of the United States Government's meeting these needs, should have been construed as positive undertakings on the part of the United States to meet requirements which had not then been stated in definite terms. In the conversation between the Secretary of the Treasury and Mr. Balfour, as well as with other representatives of his Government, it was made clear that the action of the Secretary of the Treasury was limited wholly by the act of Congress approved April 24, 1917, in which the Secretary of the Treasury was authorized, with the approval of the President, to make loans to Governments at war with the Imperial German Government. Had the Secretary of the Treasury undertaken to meet only the specified requirements for a period of six months of the belligerent Governments which have presented a schedule of the advances desired by them, he would have at once passed beyond the statutory limit of $3,000,000,000, by which he was of course wholly bound.

In an endeavor to meet with the greatest possible promptitude the indicated urgent demands of the British Government, the Secretary of the Treasury, within twenty-four hours after the approval of the above statute by the President, loaned to the British Government the sum of $200,000,000, before receiving from that Government any statement indicating its needs either for six months or for any other period. Thereafter, under date of May 3 the statement of those needs for six months was received and on May 5, while Mr. Balfour was still in the United States and subsequent to his conference with the Secretary of the Treasury, a further loan of $200,000,000 was determined by the Secretary of the Treasury, and a reply to the Ambassador's communication of May 3 was written in the following language:

I have the honor to acknowledge receipt of your communication of May 3 relative to the making of further loans to your Government. Without dwelling

[1] See *ante*, p. 525.
[2] *Ante*, p. 530.

on the larger matters referred to by you, which I shall be happy to consider at the earliest moment, it gives me pleasure to say that, having secured the sanction of the President in the premises, I am prepared to make a loan to your Government of $25,000,000 to-day, and a further loan of $25,000,000 on Monday the 7th instant. These loans will be arranged and evidenced in a manner similar to the loan of $200,000,000 to your Government, negotiated on April 25.

And on the same date, May 5, Mr. Balfour wrote the Secretary of State expressing, on behalf of the British Government and on his own behalf, appreciation of the promptitude with which the Secretary of the Treasury had met the "immediate financial obligations" of the British Government,[1] but making no reference to any understanding or expectation with reference to the larger matters referred to in the Ambassador's letter of July 1.[2]

Subsequent advances in various amounts have from time to time been made to the British Government, each independently of the other, the whole aggregating at this date the sum of $685,000,000, a sum so great that the Secretary of the Treasury cannot believe that the British Government, however dissatisfied it may be with the extent of the financial assistance rendered by the United States, would have been better satisfied with any possible further direct recourse by the British Government to the American market. In connection with none of these advances has any assurance been given of the ability of the United States to meet the requirement of the British Government, outlined in the letter of May 3, for advances in the sum of $1,500,000,000 in the six months' period.

The British Ambassador refers to the bringing down of gold from Canada, the sale of securities and the withdrawal by American banks of sterling balances in London. However much the Secretary of the Treasury may regret, as he does regret, the necessities thus laid upon the British Government, the transactions have not entered into the dealings between the two Governments, except that when the great urgency of the matter was presented to the Secretary of the Treasury he did authorize, without such a consideration as would otherwise have been proper, immediate loans to the British Government on the representation of its agents that these loans would diminish the acuteness of the crisis which had thus been presented. If from what the Ambassador says with reference to these matters, it is to be inferred that the British Government desires to look to the United States, not only for the advances indicated in the communications referred to under date of May 3 and May 29, but in addition thereto for whatever sums may be necessary to pay off maturing indebtedness of the British Government in the United States though incurred before the entrance of the United States into the war, the Secretary of the Treasury regrets that he can give no assurances in this respect.

The British Ambassador, in concluding his letter of July 1, presents a formal request for the following financial assistance—

(1) That the commitments which his Majesty's Government has undertaken in this country on behalf of Belgium and Russia may constitute a first charge on the first loans made to these two countries, and may be repaid to Great Britain with the least delay possible.

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[1] See *ante*, p. 526.
[2] *Ante*, p. 533.

The Secretary of the Treasury does not feel that such conditions should be imposed upon the Governments of Belgium and Russia without consultation with those Governments.

The actual state of affairs as to the Belgian Government is this: a credit has already been established for that Government of $45,000,000 to be taken at the rate of $7,500,000 per month. The Secretary of the Treasury is informed that a similar monthly sum has heretofore been loaned to the Belgian Government in equal parts by the British and French Governments. The sums thus provided are strictly used for the purchase of foodstuffs for Belgium, and it would seem to defeat the humanitarian objects heretofore cherished, it is believed, both by the British Government and by the American Government, if these sums should now be required to be repaid by the Belgian Government to the British Government. In respect to additional requests for loans recently made by the Belgian Government, sufficient information has not yet been received upon which to base action of any kind whatever.

In respect to the Russian Government, the loan already made to it has been in large part allocated for orders for materials pressed with the greatest vigor upon the American Government, not only by the Russian representatives but also by American officials in Petrograd. The cost of these new orders, plus amounts shown by Russian representatives as being already overdue for purchases in the United States other than those guaranteed by the British Government, will absorb the total of the $100,000,000 credit already established in favor of the Russian Government. As to the amounts paid by the British Government on Russian account, and as to the amounts remaining unpaid guaranteed by the British Government on Russian account, no request by the Russian Government has been made that funds should be advanced to it to cover these sums.

(2) That an arrangement may be come to immediately between the United States Treasury and the British agents in America defining the amount of assistance which can be granted to His Majesty's Government for the months of July and August and that the first instalment for the month of July ($100,000,000) may be made available by the 4th July at the latest.

The Secretary of the Treasury takes pleasure in stating that, on July 5 (the 4th being a holiday) he authorized the advance of the desired $100,000,000; and that he is now giving consideration to the matter of making a further loan of $85,000,000 during the month of July. He will, as early as possible, notify the British representatives of the decision upon this point.

(3) That assistance may be given to cover the amount of our overdraft with New York bankers amounting to about $400,000,000. It was explained to the Secretary of the Treasury in April and again in my communication of May 3rd that this overdraft had been incurred mainly in order to enable our other allies to carry on and he agreed that this sum might be included in our application and regarded as a first call on the credits under the loan.

The Secretary of the Treasury is taking the whole subject of the $400,000,000 overdraft under consideration, but no immediate determination can be made. It is true that the Secretary of the Treasury

stated to Mr. Balfour that this item might be included in a statement to be laid before the Secretary of the Treasury of the amounts which the British Government desired to borrow from the United States Government. Not only was this item one which would receive consideration, but, indeed, the Secretary of the Treasury stated that any items whatever which the British Government desired to be laid before him would receive due consideration. But no commitment was made by the Secretary of the Treasury concerning any item, whatever its nature, which was suggested for inclusion in the statement then being prepared by the British Government for submission to him.

Cordially yours,

W. G. McAdoo

File No. 841.51/68

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *July 12, 1917, 4 p. m.*

5139. At the request of the Secretary of the Treasury you may read to Mr. Balfour the following statement and leave with him a paraphrase thereof:

The American Ambassador at London informs me that at a conference with the Prime Minister, the Chancellor of the Exchequer, the Foreign Secretary, and the Governor of the Bank of England, and their advisers, regarding an overdraft of $400,000,000 owed to Morgan by the British Government, he was informed that Spring Rice, the British Ambassador in Washington, telegraphed on April 6 that a definite promise had been made to him that the British Government should receive this sum with a view to meeting this overdraft, and that the money from the Liberty Loan would be first applied to this purpose. It is not stated who, in behalf of the American Government, made such a promise to Spring Rice. No such promise was made or could have been made by the Secretary of the Treasury, or by anyone authorized to speak for him. The bill authorizing loans to foreign governments was not introduced in the House of Representatives until April 11, five days after the date of the alleged promise, and did not become a law until April 24. No one had authority to make such a promise on April 6.

It is also stated in Ambassador Page's cable that it is claimed that Mr. McAdoo made the same promise to the Governor of the Bank of England on April 9. The Governor of the Bank of England did not arrive in Washington until April 22, and the Secretary of the Treasury had no communication with him until after his arrival. At no time, directly or indirectly, has the Secretary of the Treasury, or any one connected with the Treasury Department, promised to pay the Morgan overdraft.

Mr. Balfour had an interview with me late in April on the subject of loans to the British Government, during which we discussed the problem from many angles. I requested that a statement be submitted to me covering the British Government's necessities and desires, and promised to give it consideration. Near the conclusion of the interview, Mr. Balfour spoke of the $400,000,000 due on overdrafts in New York and asked if it would be proper to include it in the statement. I said yes, include everything the British Government wished the Secretary of the Treasury to consider, and that I would give it as prompt consideration as possible. The interview with Mr. Balfour and his staff was for the purpose of discussing the situation generally and acquainting me with the essential facts to enable me to discharge intelligently responsibilities devolving upon me under the act of Congress. No definite program was agreed upon. Some of the most important information called for by me at that interview has been received only within the past few days; other essential information is still lacking. I stated at that time that the $3,000,000,000 of credit which Congress had authorized me, with the President's approval, to dispense to foreign governments necessitated complete and comprehensive knowledge on my part of the European situation and the needs of the different governments; that these needs had to be related to each other; that the military phases of the situation were an essential part of my consideration and decision; that I was unable, at the time, to promise more than temporary relief, making advances from time to time as the facts justified. This course has been pursued consistently with all foreign Governments. They have been given advances from month to month, in such sums as the condition of the United States Treasury would permit, and as my judgment of the circumstances of each case warranted. I have already advanced to Great Britain $100,000,000 for July. I have under advisement her application for an additional $85,000,000 during the same month. Beyond that I cannot at this time go. I am looking carefully into the so-called Morgan overdraft. As soon as I am in possession of complete information about it, I shall be able to decide whether or not this Government can do anything in relation thereto.

Before any engagements beyond the month of July can be discussed, an understanding should be reached about a purchasing commission to be set up in Washington through which all purchases for the Allied powers in the United States should be made, and in connection therewith an agreement should be arrived at for the establishment of an Inter-Allied Council to sit in London or Paris to determine the relative needs and priorities of the different powers in the markets of the United States. This Inter-Allied Council should also make recommendations as to the allocation of loans or credits to the respective European powers. A draft of the suggested agreements will be forwarded shortly through the British Embassy at Washington.

The United States must of necessity reserve to itself independence of decision and freedom of action with respect to financial matters. Their financial policy will be dictated by a desire to cooperate to the fullest extent possible with the several powers making war in common

against Germany, but America's cooperation cannot mean that America can assume the entire burden of financing the war. It means that America will use her available resources to the extent that the Congress may, from time to time, authorize for the purpose of supplementing the resources of the Allied powers. In order that this may be done effectively, the financial resources of the governments seeking loans from the United States should be frankly disclosed from time to time in order to furnish an intelligent basis for the decisions of the United States Treasury in this vital matter.

Am I to understand that Lord Northcliffe has been designated financial agent of the British Government, and that he will conduct all negotiations? I am really confused by the number of people who undertake to speak for the British Government. We have every desire to be friendly and obliging. We have given conclusive evidence of this, but in order to avoid future misunderstandings, it would be wise to have it understood that nothing shall be considered as agreed to until signed memoranda or documents have been exchanged. McAdoo.

POLK

File No. 841.51/69

The British Embassy to the Department of State[1]

Since the commencement of the war, the British Government has furnished her Allies with all the funds they needed, nor has the magnitude of this assistance been in any degree diminished during the last four months. Italy and France, but especially the latter, are becoming more and more exhausted financially, so that although the United States Government have come to their help, nevertheless Great Britain has had to continue to make advances precisely on the same scale as before, providing France, for instance, with one million pounds per diem for the last three weeks, in order to enable her to maintain her rate of exchange and to meet her other immediate liabilities. At the same time, the British Government are meeting the liabilities incurred in the United States by Belgium and Russia.

His Majesty's Government now possess no further means wherewith to pay for their purchases in the United States, and in consequence the whole financial system of the alliance will break down unless the United States Government is able to meet the payments due on this account.

Such an eventuality would be disastrous, and not improbably fatal, to the cause for which the Allies are fighting.

WASHINGTON, *July 17, 1917.*

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[1] Copy of the original which was communicated by the British Embassy to Mr. McAdoo.

Proposal of the Secretary of the Treasury, Transmitted July 19, for an Inter-Allied Council on War Purchases and Finance and for an American Purchasing Commission—British Memorandum, Transmitted July 20, in Justification of Requests for Increased Assistance—Reply of the Allied Governments, July 26, to the Proposal for an Inter-Allied Council and a Purchasing Commission

File No. 841.51/874

The Secretary of the Treasury (McAdoo) to the Secretary of State

WASHINGTON, *July 18, 1917.*

SIR: I have the honor to enclose herewith identical communications addressed by me to the British, French, Russian and Italian Ambassadors, and to the Ministers of Belgium and Servia, and to request that you be good enough to transmit them.[1]

It is my judgment that these communications, having now been approved by the President, should be presented as early as possible to the representatives of the Governments above mentioned.

A like communication should with propriety be addressed to the Roumanian Government, but, understanding that there is no Roumanian diplomatic representative in Washington, I beg that you take such steps as you think wise to have the matter laid before that Government.

Cordially yours, WM. G. MCADOO

[Enclosure]

The Secretary of the Treasury (McAdoo) to the British Ambassador (Spring Rice)[2]

WASHINGTON, *July 18, 1917.*

MY DEAR MR. AMBASSADOR: I have the honor to state that, having in mind the experiences of the last two months in the matter of determining loans to various European Governments engaged in war against the Imperial Government of Germany, according to the discretion reposed in me, subject to the approval of the President, by the act of Congress approved April 24, 1917, I have come to the conclusion, which is approved by the President, that for the further satisfactory conduct of the business between your Government and the Government of the United States in respect to such loans it is desirable that a council be established in Europe for the execution of the following functions:

(1) Such council, made up of representatives of the various European Governments at war with Germany, or at least of the larger powers among such Governments, should consider and report to a purchasing commission in America, established pur-

[1] These communications were transmitted July 19. (File No. 800.51/18a.)

[2] Based on a draft dated June 1, referred to the Acting Secretary of State, July 9, and returned by him with suggested changes, July 14. (File No. 800.24/39.)

suant to some such arrangement as is contemplated by the memorandum hereto attached marked "A,"[1] the needs of each such Government in respect to the purchase of material of all kinds, including food supplies as well as munitions, in the United States;

(2) They should likewise consider and similarly report concerning the transportation requirements connected with the movement of such supplies and the means of satisfying these transportation requirements;

(3) They should consider and similarly report concerning the priorities that ought to be observed with a view to the wise conduct of the war in respect to the purchase of materials and transportation of the same, in so far as limitations of the American market and of the transportation available for the purposes in question may impose the necessity of giving preference to one or another of the several needs of the belligerent powers.

(4) Assuming at any given time the availability of a given sum of money distributable as loans by the United States Government to various Allied powers in question, it is desirable that the said council recommend to me the proportions in which such sums should be, if possible, made available to each such power. In this connection, it would be desirable that forecasts should be made, let us say, for periods of three months, six months and twelve months, respectively, on the supposition, of course, that for such periods as may be covered by the forecasts there should be a continuance of the existing war against Germany.

In respect to the division of a loanable fund, indicated in paragraph 4, I have in mind that such a council should report its conclusions as recommendations to me, in order that I may be thus aided in the discharge of the responsibility imposed on me by the statute in question, to make the necessary determinations in regard to the division of the fund in question. It should, however, be understood that I can not be bound to accept such recommendations, inasmuch as, under the act of Congress, the responsibility is placed upon me, subject to the approval of the President, to exercise my own discretion in respect to such loans or credits.

It is doubtless also known to you that the amount thus placed at the discretion of the Secretary of the Treasury by the act in question is fixed at $3,000,000,000. Of this amount, in round figures, there has now been allocated in various loans and credits the sum of approximately $1,600,000,000. At this writing, therefore, there remains to be disposed of the sum of approximately $1,400,000,000. It is obvious that any loans that may be desired in excess of the total thus remaining would require additional legislation by the Congress of

[1] Not printed; for the final form of memorandum creating the purchasing commission, see enclosure to the letter from the Assistant Secretary of the Treasury, Aug. 31, *post*, p. 565.

the United States. While this fact is now actually controlling in respect to any further positive action on my part in the matter of making loans, it would not be objectionable if the council should, in making its forecasts, formulate and indicate to me the requests of the various Governments represented for sums which might total a larger amount than the $1,400,000,000 above mentioned. In making this statement, however, I do not desire to be understood as in any way committing the Government of the United States to any action whatever. The thought is presented to you merely because it may assist the Government of the United States, whether in the executive or the legislative branch, in the making of determinations, if any should be undertaken, concerning loans to foreign governments exceeding the amount now set in the statute.

I shall not in this communication undertake to suggest the organization of such council as is here proposed, since that obviously must be left to the Allied Governments concerned in the matter. I may add, however, that while the United States Government does not now propose that it shall have a representation in such council, it nevertheless reserves the right of proposing, at a later date, that representatives of the United States should be associated with the council in a manner hereafter to be determined, in order to give and receive such information as may be germane to its objects.

So important do I consider immediate action with respect to the objects above defined, that I should be glad if you would inform your Government at once that I consider the establishment of such council as one of those "arrangements" indicated in the above mentioned act of Congress as both "necessary and desirable" in connection with the granting of further credits for the Governments in question. I would, therefore, suggest that, while the determinations of loans or credits for the month of August, 1917, may be made before these arrangements are perfected, I feel it my duty to say that such arrangements should be completed and made operative before August 15, 1917, as a condition precedent to the determination after said date of any further loans or credits.

I am [etc.] WM. G. MCADOO

File No. 841.51/70

The Assistant Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *July 20, 1917.*

SIR: On behalf of the Secretary of the Treasury, I beg to advise you that an advance of $85,000,000 has to-day been made to the British Government. This brings the total loaned to that Government to date to $770,000,000.

Very sincerely yours, OSCAR T. CROSBY

File No. 841.51/71

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 20, 1917, 11 a. m.*
[Received 11.50 a. m.]

6779. Your 5139, July 12, 4 p. m.[1] Mr. Balfour has handed me the long financial statement by the Chancellor of the Exchequer which follows and which he requests me to telegraph for the Secretary of the Treasury and the President. A copy goes also by pouch. The financial situation has caused greater fear and depression than has before been felt from any cause since the war began.

All that follows this is Mr. Bonar Law's memorandum.

PAGE

File No. 841.51/79

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 20, 1917, noon.*
[Received July 21, 10.50 a. m.]

6780. Continuation of my 6779, July 20, 11 a. m. Beginning of memorandum.

The Chancellor of the Exchequer has seen Mr. Page July 14 and would be much obliged if Mr. Secretary Balfour would cause the following note in reply to be communicated to Mr. Page.

1. The Chancellor of the Exchequer of course accepts Mr. McAdoo's statement that "At no time, directly or indirectly, has the Secretary of the Treasury or anyone connected with his Department promised to pay the Morgan overdraft." In any event this question of past misunderstandings is of small consequence as compared with the question as to whether the financial interests of the alliance make this repayment necessary or advisable at the present time. But in view of what passed at the Chancellor of the Exchequer's interview with Mr. Page the Chancellor of the Exchequer thinks it right to quote the actual words received by cable from Sir C. Spring Rice on April 9 which were the foundation of what he said on that occasion. Spring Rice telegraphed: "Sir R. Crawford desires the following to be communicated to the Chancellor of the Exchequer. I told the Secretary of the Treasury last night that you appreciated and concurred in his proposals. He was very gratified and asked me to convey his compliments. I mentioned to him the four considerations referred to in paragraph 2 of your telegram. He agreed that repayment of overdraft on $4,000,000[2] should be a first call on the loan." (Here follow remarks on three other distinct topics.

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[1] *Ante*, p. 543.

[2] In another copy of this memorandum, dated July 23, enclosed in the Ambassador's despatch No. 6664, July 26 (received Aug. 9), this figure is given as $400,000,000. (File No. 841.51/270.)

The telegram continues.) "This morning Governor Harding called, at the request of the Secretary, and confirmed the views expressed by the latter on the above points. This evening I went over the matter again with the Counselor of the State Department who fully concurred that our overdraft should be a first charge."

2. There are several indications in Mr. McAdoo's note that he desires above all a fuller and freer communication of facts on our part. We have never desired or intended to keep any reserves from him as to our financial position. On the other hand it has been our preoccupation to bring home to him exactly what that position is. Any specific question we will answer. In the meantime the following figures are presented in the belief that they are the figures most relevant to present issues.

(*a*) Mr. McAdoo points out that "America's cooperation cannot mean that America can assume the entire burden of financing the war." How much less than this has been expressly asked of it is exemplified in the following table of assistance rendered to the European allies by the United States and the United Kingdom respectively since the date of the entry of America into the war:

FINANCIAL ASSISTANCE FROM APRIL 1 TO JULY 14, 1917

Countries receiving financial assistance	Advanced by United Kingdom	Advanced by United States
France	[1]£50, 072, 000	$310, 000, 000
Russia	78, 472, 000	----------
Italy	47, 760, 000	100, 000, 000
Belgium, including Congo	8, 035, 000	15, 000, 000
Minor allies	3, 545, 000	2, 000, 000
Total	£193, 849, 000	$427, 000, 000 =£90, 000, 000

[1] See footnote 2, *ante*, p. 549; this figure is given as £56,037,000.

The advances by the United States equal, roughly, £90,000,000 against the advances by the United Kingdom of nearly £194,000,000. Russia has been promised $100,000,000 but it is understood that she has not yet received any cash installments. For Belgian relief total amounts promised $45,000,000. Serbia total amount promised $3,000,000.

The Chancellor of the Exchequer gratefully acknowledges that the United States Treasury have advanced $686,000,000 [1] to this country in addition to the above sums to the other allies.

But he invites Mr. McAdoo's particular attention to the fact that even since America came into the war the financial assistance afforded to the other allies by the United Kingdom has been more than double the assistance afforded them by the United States and that the assistance the United Kingdom has afforded these other allies much exceeds the assistance she has herself received from the United States.

(*b*) The United States Treasury have so far limited their assistance to expenditure incurred by the Allies within the United States

[1] See footnote 2, *ante*, p. 549; this figure is given as $685,000,000.

rightly recognizing that such assistance involves a much less onerous burden than a financial assistance abroad. United Kingdom have been unable to adopt this attitude towards their allies but have supported the burden of their expenditure in all parts of the world. Without this support the allies would have been unable to obtain the supplies of food and munitions which have been essential to their prosecution of the war.

To such an extent has the above been the case that up to the present time United Kingdom is still financing the expenditure of Russia in the United States.

(*c*) The total expenditure out of the British exchequer between April 1, 1917, and July 14, 1917, amounted to £825,109,000 of which £131,245,000 was met from loans raised in the United States. Both these figures relate to expenditure and income brought to account out of date 14th.

(*d*) The financial burden upon the exchequer of the United Kingdom did not begin however on April 1 last. The total expenditure between April 1, 1914, and March 31, 1917, amounted to £4,362,798,000 which added to the expenditure of £825,109,000 since April 1, 1917, makes a total expenditure of £5,161,471,000.[1] It is after having supported an expenditure of this magnitude for three years that the United Kingdom venture to appeal to the United States of America for sympathetic consideration in financial discussion where the excessive urgency of her need and the precariousness of her position may somewhat impart a tone of insistence to her requests for assistance which would be out of place in ordinary circumstances.

A statement is appended at the end of this note for Mr. McAdoo's information showing precisely how this sum of £5,000,000,000 has been financed up to date. The proceeds of the overdraft in New York are included under the heading of the ways and means advances. This statement included several particulars which have not been communicated to Parliament and is to be regarded, like all the other figures cited in this note, as being only for the confidential information of the United States Government.

(*e*) The following statement shows the expenditure and receipts of the British Government in New York from the 1st April to the 14th July 1917.

Payments out of the Treasury account in New York for the purchase of commodities and interest due	$602,000,000
Purchase of exchange (e. g., the cost of all wheat purchases for Allies is included in this figure, *inter alia*, during the greater part of the period in question)	529,000,000
Total	1,131,000,000
Loans from United States Government	685,000,000
British Treasury notes (sundry munitions contracts)	27,000,000
Repayments by French and Italian Governments	134,000,000
Gold	246,000,000
Sale of securities	58,000,000
Miscellaneous	19,000,000
Total	1,169,000,000

[1] See footnote 2, *ante*, p. 549; these figures given as £4,336,362,000, £800,271,000, and £5,136,633,000, respectively.

(*f*) It will be seen from the preceding statement that gold and securities were realized during the period in question (for the most part during June) to the extent of $304,000,000. The impossibility of the United Kingdom's continuing to supplement American Government assistance on this scale is shown by the following facts.

Gold. We have exported to the United States since the commencement of the war (including gold lately ear-marked for the New York Federal Reserve Bank) a sum of $305,000,000 in actual gold. This has all been sent on behalf of the United Kingdom but a considerable part has been borrowed or purchased from the other allies. In addition a fairly substantial amount has been despatched to other destinations. This represents an enormous effort of which the reserves of the United States have obtained the benefit.

The United Kingdom now have left about £50,000,000 in the Bank of England's reserve, £28,500,000 in the currency note reserve and an unknown amount estimated at a maximum of £50,000,000 with the joint stock banks. In addition there is a sum of about £10,000,000 at the disposal of the Treasury but not included in any published reserve. This makes a total of about £140,000,000. There is virtually no Government bonds [*gold*] in circulation. This is about 6 per cent of our banking liabilities and considerably less than allotted circulation of the Government bonds [*gold*] in the United States.

The amount of this Government loan which we could part with, without destroying the confidence upon which our credit rests, is inconsiderable.

Securities. Before the Treasury initiated their official mobilization of dollar securities large amounts were disposed of through private channels and also by the Bank of England who were systematically engaged on the disposal of Dutch Government securities in New York.

The following figures relate only to the Treasury scheme:

Value of securities purchased	$770,000,000
Value of securities obtained on deposit as a loan	1,130,000,000
Total	$1,900,000,000

The above has been disposed of as follows:

Sold in New York	$750,000,000
Deposited as security against loans	600,000,000
Deposited as security against call loan	400,000,000
Still in hand	150,000,000
Total	$1,900,000,000

(All figures approximate)

We have now obtained virtually all the dollar securities available in this country and, in view of penalties now attached, it is believed that the amount of salable securities still in private hands is now of very small dimensions. The balance in hand can only be disposed of gradually and is not in any case an important amount.

3. In short our resources available for payments in America are exhausted. Unless the United States Government can meet in full our expenses in America, including exchange, the whole financial fabric of the alliance will collapse. This conclusion will be a matter not of months but of days.

The question is one of which it is necessary to take a large view. If matters continue on the same basis as during the last few weeks a financial disaster of the first magnitude cannot be avoided. In the course of August the enemy will receive the encouragement of which he stands in so great need, at the moment of the war when perhaps he needs it most.

4. Mr. McAdoo suggests that the settlement of joint Allied purchasing arrangements must precede any promises from him of financial support in August. His Majesty's Government do not know how to interpret this statement. They are doing what they can to promote the establishment of such arrangements and at the end of June prepared a detailed scheme, on lines which they had been given to understand would commend themselves to the United States Government, for submission to the other allies, but the settlement depends upon the progress of events in America and the acquiescence of the other allies concerned. They will instruct Sir C. Spring Rice to communicate unofficially the details to the United States Government immediately without waiting for replies from the other allies. His Majesty's Government cannot believe that, if these or other natural and unavoidable causes of delay are operative for reasons which may be out of their control, financial support will be withheld and a catastrophe precipitated.

5. As regards Mr. McAdoo's concluding passage the Chancellor of the Exchequer desires to say that Lord Northcliffe is the duly authorized representative of His Majesty's Government to conduct all financial negotiations on their behalf. Lord Northcliffe has however suggested that the United States Government would themselves prefer that someone with political experience such as an ex-Cabinet member should be asked to cross to the United States for the purpose of dealing with the financial situation. If this is the desire of the United States Government, His Majesty's Government would gladly comply with it.

EXCHEQUER RECEIPTS AND ISSUES (NET) 1914–15, 1915–16, 1916–17, 1917–18 (TO JULY 14)

Receipts		Amount
Balance April 1, 1914		£10, 435, 000
Revenue:		
Tax	£1, 115, 136, 000	
Non-tax	163, 151, 000	
		1, 278, 287, 000
Treasury bills (excluding bills bought as collateral shown below)		647, 160, 000
3½ per cent war loan (net)		189, 149, 000
4½ per cent war loan		592, 345, 000
4 per cent and 5 per cent war loans		944, 277, 000
3 per cent exchequer bonds		20, 449, 000
5 and 6 per cent exchequer bonds (net)		546, 957, 000
War savings certificates		85, 300, 000
War expenditure certificates		23, 561, 000
American loan, 1915		50, 820, 000
Other debts:		
In the United States (net)		314, 213, 000
In Canada (including *précis*, £20,549,000 collateral treasury bills), net		73, 959, 000
In Japan:		
For French gold		10, 527, 000
For Russian gold		53, 320, 000
Treasury bills		60, 000, 000
Dutch	£14, 819, 000	
Scandinavian collateral	14, 760, 000	
		29, 579, 000
Miscellaneous (in colonies and loans without interest)		4, 502, 000
Ways and means advances (never contemplated)		226, 631, 000
Total		5, 161, 471, 000

Issues	
National debt services	273, 417, 000
Other consolidated fund services	39, 368, 000
Supplemental convention services (including £80,400,000 for Army and Navy in 1914–15)	365, 283, 000
Votes of credit	4, 439, 467, 000
Expenditures	5, 117, 535, 000
Exchequer bonds 1910 paid off	16, 395, 000
Miscellaneous issues (old sinking fund account), net	2, 703, 000
Balance July 14, 1917	24, 838, 000
Total	5, 161, 471, 000

Balfour requests that a copy of the memorandum be given to Spring Rice.

PAGE

File No. 763.72/6033

The French, British, Italian, and Russian Ambassadors to the Secretary of State

[Translation [1]]

WASHINGTON, *July 26, 1917.*

MR. SECRETARY OF STATE: We have the honor to beg Your Excellency kindly to transmit to the Honorable the Secretary of the Treasury the enclosed letter which is a reply to that which he sent us last week through the Department of State.

We feel sure that the importance of the question put by the Honorable Mr. McAdoo, which touches upon the general conduct of the war and the coordinated action of our Governments cannot fail to arrest your most earnest attention.

Be pleased to accept [etc.]

JUSSERAND
CECIL SPRING RICE
MACCHI DI CELLERE
BORIS A. BAKHMETEFF

[Enclosure—Free translation [2]]

The French, British, Italian, and Russian Ambassadors to the Secretary of the Treasury

MR. SECRETARY OF THE TREASURY: We have the honour to acknowledge the receipt of your letter of July 18,[3] and to inform you that we immediately telegraphed its contents to our respective Governments. As soon as we receive their answer, it will be transmitted to you.

We wish however to assure you immediately that all the Allied powers are thoroughly inspired by that feeling of solidarity, which you so justly consider indispensable for victory.

We are convinced that the same spirit inspires the Government of the United States in the prosecution of this war, into which they entered deliberately, in the exercise of their sovereign rights, and after weighing carefully the responsibilities entailed and the conditions under which the war is being fought. We also know that the United States Government are firmly resolved to carry on the struggle until their object has been attained in close cooperation with the European powers, who for so long have borne the burden of the common struggle against autocratic Germany.

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[1] Original text in French.
[2] Received so designated.
[3] *Ante*, p. 546.

We therefore are convinced that the United States Government, when they indicated to our Governments a definite date by which the organisation now contemplated should be in working order (a highly desirable object), only wished to make clear—immediately to the Allied powers, and later on to Congress—the great importance they attach to the realisation of this object, which our Governments appreciate no less than that of the United States.

We thoroughly understand why you should have deemed it necessary for the conduct of this war, in which the United States and the Allied powers are alike resolved to bring their respective resources up to a maximum of efficiency, to secure that all our efforts should be more closely coordinated.

It cannot be denied that up to the present time this coordination may have been somewhat impeded both by the procedure followed by the Allied powers in their dealings with your Government, and by the conditions under which the new bodies, created in the United States to deal with war problems, have been working.

The scheme which you submitted to us aims at securing more thorough collaboration. The Allied powers are ready to devote all their experience to the accomplishment of that special task in the most effective way; they have been willing to do so from the very day when the United States entered the war, and we feel sure no difference of views can arise in principle as to the desirability of better coordination of the requirements arising out of the European war, and the corresponding demands made for the satisfaction of such requirements.

You will however not lose sight of the fact that the question raised by your letter calls for serious examination, the necessity for which is indicated to our respective Governments by their long experience in the war.

It is for our Governments to express their opinion as regards the ways in which this coordination can be effected, and as regards the powers and duties of the council to be established in Europe.

On the other hand, by the force of circumstances this question must be closely connected with the organisation of an executive committee in the United States; for the council to be set up in Europe would evidently lose greatly both in authority and efficiency, if the American committee happened not to answer exactly to the contemplated object.

Consequently, while we are awaiting the reply of our Governments on the first point we feel bound meanwhile to submit to you, with the concurrence of the High Commissioners for France and Great Britain the following observations on the second point, which forms the subject of the joint memo. The latter is of course in the nature of a mere suggestion.

Primary importance attaches to war expenditure, for which payment is made in the United States out of funds advanced to the Allies by the United States Government under financial agreements fixing the rate of interest and the period within which repayment is to be made.

It is therefore clear that our Governments are responsible to their respective legislatures for the sums lent from the moment when they obtain possession of them, in accordance with their constitutions and rules governing public accounts.

It seems to follow that the Governments in question should have some means of controlling the use made of these funds, despite paragraph 6 which seems to assert the contrary; such control the memorandum does not provide, but the need for it is clearly indicated, because the United States Government in paragraph 10 express their unwillingness to incur any responsibility by the mere fact that this organisation is in existence.

If the Allied powers are to undertake not to place orders in the United States otherwise than through the committee to be set up in Washington (par. 3), it would seem equally necessary that, as a corollary to this undertaking, the Allies on their side should be assured that they will be able to place such orders under most favourable conditions, especially as regards the prices being the same as those paid by the United States Government for their own war orders.

The following point we consider equally essential. The Allied powers have in the course of three years, at the cost of the blood of their peoples, gained a thorough experience in all war problems; and it is indispensable that they should have some means of giving the benefit of all this experience to the new bodies to be set up at Washington, the method of accomplishing this must be determined later.

Long experience has proved the absolute need of an intricate organisation to cope with the execution of orders placed, their distribution among various factories, the unavoidable changes which may have to be made while contracts are in course of execution, supervision over the manufacture of the goods and acceptance of them on delivery. It will not be expected that the Allied Governments should give up control over this organisation.

Generally speaking, we feel confident that you will agree with us in thinking it is only fair that while on the one hand the Allied powers give undertakings as regards their war needs, the United States Government for their part should define what obligations they undertake to assume.

It is in our opinion desirable that an agreement should be reached without delay upon the above points, and on others of secondary importance.

We feel therefore that we are falling in with your wishes in asking you to designate as soon as possible one or more delegates, with whom we can immediately begin to discuss what form our collaboration should take, and how the executive machinery at Washington is to be organised. The result of these negotiations will naturally have an immediate bearing on the final decisions of our Governments regarding the projected European council; for the activities of this council cannot be determined with precision or efficiency except in close connection with the organisation which it is proposed to establish in the United States.

We are convinced that you will appreciate the importance of the above considerations.

Finally, we are anxious to assure you once more of the great satisfaction given us by your letter, which paves the way for drawing still closer the bonds now uniting the United States with the Allied powers, and cementing more firmly that union of hearts and interests which so happily exists between your country and ours.

With sincere gratitude for all the generous help extended by the United States Government in the past, and keen appreciation of their present views as to the need of our relations becoming yet more intimate and cordial, we beg you, Mr. Secretary, to accept the assurance of our high consideration.

[No signatures indicated]

File No. 841.51/83

The British Embassy to the Department of State [1]

[*Received August 3, 1917.*]

PARAPHRASE OF A TELEGRAM FROM MR. BALFOUR DATED AUGUST 2, 1917

I have informed His Majesty's Government of what you say as to the great difficulty which the United States Government has to meet in presenting to Congress huge estimates of expenditure and justifying the details. Please assure Mr. McAdoo that we quite understand the difficulty of the position in the light of our own experience both in the present and the past.

Please explain that we will give every assistance in our power and are most desirous of giving all the information at our disposal.

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[1] Left with the Assistant to the Counselor for the Department of State (Auchincloss) by the British Ambassador. Note in file: "He will give original to Treas."

We felt it our duty in the fullest possible manner to lay the financial position before the United States Government in order to enable them to form an accurate judgment of the full extent of the problem which has to be faced on behalf of the Allies. Please assure Mr. McAdoo that we are most grateful for the desire which he shows to be of assistance at this critical time in the great struggle.

We are in hopes that a temporary solution of the immediate difficulty as to exchange may be found in the repayment to us of the sums advanced by us for Russian expenditure in the United States since April 1.

File No. 841.51/82

The British Embassy to the Department of State [1]

[*Received August 3, 1917.*]

PARAPHRASE OF A TELEGRAM FROM MR. BALFOUR DATED AUGUST 2, 1917

Please give following message to Mr. McAdoo from the Chancellor of the Exchequer.

There is no doubt about the fact that our exchange is really Allied exchange. The exchanges of the Allies are entirely dependent on the maintenance of sterling exchange in New York although the exact figures are naturally not available but all the Allies are well aware of this.

At the present time we are supporting exchange only by means of dollars supplied by the United States Government. Only so long as such assistance is forthcoming can exchange be supported. We have no resources of our own except a trifling amount which would possibly be obtained by the sale of securities. We ought, however, unless there is an exceptional run on the exchange, to get through August without a break if in addition to the $185,000,000 for August we could be repaid for the sums advanced by us for expenditure incurred by Russia in the United States since April 1. The exact amount would be furnished by Lever. We estimate that before the end of August the amount would be about $100,000,000. Pending further means of a less temporary character which we hope to see applied in a month or two, this seems the best way of avoiding raising an awkward question at the present moment in view of the difficulty of explaining to Congress the true nature of the present difficulty and of getting them to realise the vital importance of finding a solution and of avoiding a crisis.

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[1] Left with the Assistant to the Counselor for the Department of State (Auchincloss) by the British Ambassador. Note in file: "He will give original to Treas."

File No. 841.51/75

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 2, 1917, 3 p. m.*
[*Received 5.04 p. m.*]

6877. Mr. Balfour has gone over with me the telegram he sent July 30 [*August 2?*] to Spring Rice for McAdoo about exchange. He represents the position as most perilous. He hopes that the President has seen it and will cause a reply to be sent at earliest possible time. PAGE

File No. 855.48/617

The Acting Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *August 2, 1917.*

MY DEAR MR. SECRETARY: For the information of your Department, I beg to inform you that a credit of $2,500,000 has to-day been established in favor of the Belgian Government, on which an advance of $1,000,000 has been made.

This credit has been established after conferences with the Belgian Minister in which he represented that the British and French Governments are no longer prepared to advance funds for the payment of purchases of army supplies made by his Government in the United States. The maintenance of the Belgian Army in the field is dependent on their obtaining in this country the necessary provisions, munitions, etc., for its support, and in order that there might be no interruption in their securing the necessary supplies and equipment it was felt advisable to at once establish this credit in their favor.

Sincerely yours,

OSCAR T. CROSBY

File No. 800.51/10

The Acting Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *August 6, 1917.*

SIR: I beg to advise you that a credit of $160,000,000 was a few days ago established in favor of the French Government for the month of August, under which advances of $8,000,000 and $32,000,000 were made on August 3 and August 6, 1917, respectively.

I also beg to advise you that an additional loan of $10,000,000 was to-day made to the Italian Government under the credit of $60,000,000 established in its favor on July 5, of which you have already been notified.

For your convenience, I am inserting the following tabulation of credits and loans to date to foreign Governments under the act of April 24, 1917:

Country	Loans and credits agreed upon	Loans made	Balance under established credits
Great Britain	$955, 000, 000	$820, 000, 000	$135, 000, 000
France	530, 000, 000	410, 000, 000	120, 000, 000
Italy	160, 000, 000	140, 000, 000	20, 000, 000
Russia	100, 000, 000	37, 500, 000	62, 500, 000
Russia	75, 000, 000	10, 000, 000	65, 000, 000
Belgium	45, 000, 000	22, 500, 000	22, 500, 000
Belgium	2, 500, 000	1, 000, 000	1, 500, 000
Serbia	3, 000, 000	1, 000, 000	2, 000, 000
Totals	1, 870, 500, 000	1, 442, 000, 000	428, 500, 000

Respectfully,

OSCAR T. CROSBY

Reply of the Secretary of the Treasury, August 14, to the British Memorandum on Increased Assistance, Urging Coordination of Requirements—Constitution of the Purchasing Commission—Agreement of the British and French Governments, August 31, to the Constitution of the Inter-Allied Council—The Question of the Greek Loan as a Factor in Hastening Coordination

File No. 841.51/79

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *August 14, 1917, 7 p. m.*

5300. Your 6780, July 20.[1] Secretary of Treasury requests following statement transmitted to you to be laid before the Chancellor of the Exchequer in answer to his memorandum:

The Secretary of the Treasury is in full accord with the Chancellor of the Exchequer in holding that the question of past misunderstandings in regard to supposed undertakings of the United States Government to assist the British Government financially is a matter of relatively small consequence compared with the question as to what may now be the actual financial needs of Great Britain and the extent to which those needs may be met by loans from the United States Government. Discussions concerning the misunderstandings referred to in the memorandum of the Chancellor of the Exchequer

[1] *Ante*, p. 549.

are rendered all the more unnecessary by what is believed to be now the firm establishment of the principle that no unilateral report of tentative discussions can be considered by either party as fixing mutual rights and obligations of positive character. It is hoped that upon this basis both Governments may freely engage in efforts to solve the grave problems now confronting them.

The Secretary of the Treasury appreciatively takes note of the facts stated by the Chancellor of the Exchequer bearing upon the existing financial statement of the British Government. They will be very helpful in future determinations concerning further loans to that Government. The gravity of the situation disclosed will of course dispose the Secretary of the Treasury toward the utmost possible effort to maintain financial stability of all the Governments associated in the war against Germany. In his endeavors to accomplish all that is desirable in this direction he is, however, limited by existing appropriations for all such war purposes, and is required to give consideration to the representations of other belligerent Governments whose difficulties are perhaps known to the Chancellor of the Exchequer, but whose urgent proposals for assistance (at least so far as expenditures in America are concerned), are now directed to the United States Government alone. Thus far, the representations of their needs have been made by each of the Governments concerned apparently with little consideration of the needs of other Allied Governments. The lack of coordination in this respect places upon the Secretary of the Treasury the burden of making determinations which, if possibly satisfying one Government, will yet almost necessarily leave another Government without that full assistance which it may have proposed.

It has already been demonstrated that the aggregate of proposed specific expenditures by various belligerent Governments will, if fully met by the Government of the United States exhaust the existing appropriation for foreign loans at a very early date, say approximately the first of October. The task of making allocations, even when dealing with specific amounts, has been difficult enough. It becomes an almost impossible undertaking to apportion a limited fund so that it will cover not only specific amounts, but also indefinite and perhaps necessarily unknown sums involved in the maintenance of various national exchange rates at artificial levels. Obviously, there is involved in any such undertaking a study of the whole world's commerce. Nor would the most erudite investigation of existing commercial relations be sufficient to determine the magnitude of the burden involved in maintaining exchange, unless at the same time there should be fixed by the various Governments concerned limited amounts of exports and imports with further limitations as to the money value of the goods thus exchanged.

Referring to the payment for British purchases in the United States, including exchange, the Chancellor of the Exchequer is quoted in the following words: "If matters continue on the same basis as they have during the past few weeks, it will not be possible to avoid a financial disaster of the first magnitude." This statement is emphasized in the Chancellor's memorandum of July 20, 1917, and in that memorandum it is stated that approximately the sum of $100,000,000

is believed to be sufficient to maintain British exchange at the rate now held between London and New York. Will the Chancellor of the Exchequer be good enough to indicate during what length of time, in his judgment, this sum will suffice for all financial operations of his Government with the United States for exchange purposes, and, if possible, to what extent this figure will cover purchases made outside of the United States as well as those made in this country?

The Secretary of the Treasury would further be glad to be advised by the Chancellor as to whether, in addition to sums that may be loaned to French, Italian and Russian Governments to cover actual current expenditures of their Governments for military purposes in the United States, it would likewise be desirable to furnish further funds for the maintenance of the exchange rates of those countries at any particular point which might be indicated by them.

The Secretary of the Treasury believes that the question of relative values as between the supply of funds for the actual purchases of foodstuffs and munitions in the United States, on the one hand, or the maintenance of any national exchanges at a particular point, on the other hand, if both could not be immediately met by the United States Government, can be determined wisely only by conference of all the interested parties who would endeavor to weigh these questions in the balance, and thus reach conclusions as to the wisest uses to which limited resources may be put after full consideration of all the phases of the great war in which we are now engaged. The Secretary of the Treasury has recently proposed to the Governments which have borrowed money from the United States that an Inter-Allied Council should be established sitting in Europe, which would study all questions relating to the disposition of funds that are now or may hereafter be available as loans from the United States. It is hoped that such a council will be soon organized, and will, by its recommendations to the Secretary of the Treasury, be of great assistance to him in the exercise of the grave responsibilities thrown upon him by statute. The Secretary of the Treasury points out that, in respect to the American Purchasing Commission which has been proposed to be established for the benefit of the Allies operating in the American market, it was indicated that he would be prepared to make determinations for expenditures of the Allies in the month of August independently of the agreement concerning such Purchasing Commission or the Inter-Allied Council mentioned above. But he has stated, and still holds, that he should be assisted by the advice of the Inter-Allied Council in the matter of making determinations after the 15th of August. Whether or not such a council should reach unanimous conclusions, the value of even an attempt at coordination concerning requests for assistance from the United States would be of such importance that, in his judgment, it is his duty to urge prompt action concerning this matter. While it is true that the best results would be obtained for all parties by the establishment of both the Inter-Allied Council and the American Purchasing Commission for the Allies, yet the two are separable and the function of either the one or the other will be of benefit to the common cause.

The agreement to lend $235,000,000 to the British Government for its needs during the month of August was not due to a withdrawal from the position taken in respect to the Inter-Allied Council. The Secretary of the Treasury, considering the views expressed to him by representatives in Washington of the various Allied powers, has reason to believe that those representatives were cooperating to bring about the establishment of the proposed Inter-Allied Council. The Secretary of the Treasury cannot guarantee that the United States Government will furnish funds sufficient to prevent grave financial disturbances among the powers associated in war against Germany. He is convinced, however, that the probability of furnishing the necessary financial support will be much increased if the Allied Governments will promptly coordinate their proposals for loans in conformity with the general plan outlined in his communication above referred to.

The Secretary of the Treasury takes notice of the designation by the Chancellor of the Exchequer of Lord Northcliffe as the duly authorized representative of His Majesty's Government to conduct all financial negotiations on their behalf. He is advised, however, by the State Department of the United States Government that such designation does not clearly indicate whether Lord Northcliffe or Sir Cecil Spring Rice should sign the obligations which may be required to cover loans made by the United States to the British Government. It will be remembered that specific authority to this effect was given to the British Ambassador, and the Secretary of the Treasury would now be glad to be informed whether the actual signing of such obligations, as distinguished from the negotiations leading to them, is to be executed by Lord Northcliffe or by Sir Cecil Spring Rice.

LANSING

File No. 868.51 War Credits /4

The Minister in Greece (Droppers) to the Secretary of State

[Telegram]

ATHENS, *August 19, 1917, 3 p. m.*
[*Received 9.45 p. m.*]

391. Prime Minister Venizelos called upon me yesterday and stated that he was anxious to mobilize as soon as possible against Central powers but lacked the means. Previous Ministries had left empty treasury. England and France would advance civil law [*loan*] to Greece. Would the American Government come to his assistance with a military loan? After promising to telegraph his request I stated that this question in my opinion could be settled in cooperation with England and France to which statement he cordially agreed. Military support of Greece may be in time of great importance.

DROPPERS

File No. 868.51 War Credits /5

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *August 20, 1917.*
[*Received August 21.*]

MR. SECRETARY OF STATE: The Hellenic Government, which had filed with that of the United States an application for a loan, expressed the wish that we corroborate its declaration that it was at war with Germany.

My Government directs me to confirm to Your Excellency Mr. Politis's declaration. He adds that Greece at present stands in great military need. It must call two classes to the colors if it would organize an army of 250,000 men so as to take an active part in the war and, in particular, reenforce the Army of the Orient.

The importance of the operations thus to be foreseen will not escape Your Excellency whom these considerations will surely, as my Government hopes, incline to take favorable action on the application for financial assistance filed by the Venizelos cabinet.

Be pleased to accept [etc.] JUSSERAND

File No. 865.51/39

The Assistant Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *August 31, 1917.*

MY DEAR MR. SECRETARY: On behalf of the Secretary, I beg to send you for the files of your Department the enclosed copy of the purchasing commission agreement of August 27, signed by the Secretary of the Treasury and the Italian Ambassador, for and on behalf of the Italian Government. Similar agreements were signed on August 24 for the British, French and Russian Governments, and on the 25th for the Belgian and Serbian Governments. Except for modifications as to the countries concerned, they are identical in form with the copy herewith enclosed, and unless your Department particularly desires to have separate copies of each agreement, those for the five countries named will not be prepared and forwarded for your files.

Very truly yours,

OSCAR T. CROSBY

[Enclosure]

Purchasing Commission Agreement of August 27, 1917, between the Secretary of the Treasury (McAdoo) and the Italian Ambassador (Macchi di Cellere)

MEMORANDUM of an arrangement entered into this 27th day of August, 1917, by the Secretary of the Treasury, with the approval of the President of the United States, and Count V. Macchi di Cellere, acting for and on behalf of the Royal Italian Government.

The following arrangement is entered into as one of the arrangements necessary or desirable for establishing such credits in the United States for the Royal Italian Government as may from time to time be determined by the Secretary of the Treasury, with the approval of the President, under the authority of the act of Congress approved April 24, 1917, or any subsequent similar act.

1. Bernard M. Baruch, Robert S. Lovett and Robert S. Brookings are hereby designated a commission through whom or with whose approval or consent all purchases in the United States of materials and supplies by or on behalf of the Royal Italian Government shall be made.

2. The Royal Italian Government, from time to time, shall, subject to the provision of article 4 hereof, communicate its requirements for materials and supplies to the commission through such person or persons as shall be from time to time designated to the commission as empowered by the Royal Italian Government to make purchases on its behalf.

3. It shall be the duty of the commission, subject to the provision of article 4 hereof, to use their best efforts to obtain offers of the materials and supplies so shown to be required, at the best obtainable prices and terms, of delivery and otherwise, and to submit the same to the said person or persons representing the Royal Italian Government, but it shall be no part of the duty of the commission to prepare and sign contracts, or to supervise their execution, or to determine technical details, or to carry out the inspection of materials, all of which matters shall be the concern of the Royal Italian Government. Said Government shall be under no obligation to make purchases of materials and supplies at the prices and upon the terms so submitted by the commission, but it is agreed that it shall not, during the continuance of this arrangement, make purchases in the United States otherwise than through or with the approval or consent of the commission. Such approval of the commission may be given from time to time, according to the circumstances of each case, with reference to purchases of a specified general character, or specifically with reference to stated transactions; and the commission may, according to the circumstances of each case, determine from time to time to give its consent, with reference to purchases

of a specified general character or specifically with reference to stated transactions, that the same be made without the intervention of the commission.

4. Since other foreign governments engaged in war with the enemies of the United States may have entered or may enter into similar arrangements with the Secretary of the Treasury, with the approval of the President of the United States, it is understood that all such foreign governments shall agree among themselves as to their several requirements and as to the priorities of delivery desired to be observed as between them in respect to matters of major importance. Such agreement may be arrived at by an Inter-Allied Council sitting in Europe, or, pending the establishment of such council, by representatives of the Allied Governments acting in the United States. The commission, in making negotiations and arranging for deliveries, shall take into consideration the recommendations of such foreign governments, so arrived at, and it shall be guided, so far as practicable, by such recommendations, as well as by the conditions existing in the United States with reference to the possibilities of production and manufacture and the requirements of the United States.

5. The Royal Italian Government shall use its best efforts to the end that this arrangement shall extend to and bind the colonies and dependencies of the Royal Italian Government beyond the seas.

6. The commission shall determine their own organization and rules and methods of procedure, and may employ counsel and clerical assistance, all subject to the approval of the Secretary of the Treasury. The commission shall be under no liability except in good faith to use their best efforts as aforesaid. The expenses of the commission and their compensation, which together shall not exceed $150,000 per annum, shall be borne by the Royal Italian Government. It is understood that in the event of other foreign governments entering into similar arrangements, such expenses and compensations shall be borne by each of them in proportion to the purchases of such foreign government through the commission.

7. Any or all members of the commission may be removed by the President of the United States, who may, from time to time fill vacancies, and designate an additional member or members of the commission, or reduce the number of members of the commission.

8. This arrangement shall continue until the expiration of ninety days after written notice shall have been given by the Secretary of the Treasury to the Royal Italian Government, or by the Royal Italian Government to the Secretary of the Treasury, of his or its desire to terminate the same; but in no case shall this arrangement continue beyond the termination of the war between the United States and its enemies.

9. Any notice hereunder to the Secretary of the Treasury shall be deemed sufficiently given if delivered at the State Department in Washington for transmission to the Secretary of the Treasury. Any notice hereunder to the Royal Italian Government shall be deemed sufficiently given if delivered, addressed to said Royal Italian Government, to its agent designated as herein provided, or at the Embassy of said Government in Washington.

10. Nothing herein contained, expressed or implied, nor anything done or omitted by the commission, shall impose any obligation or liability upon the United States whether to advance moneys, to establish credits, or otherwise.

Secretary of the Treasury

Ambassador Extraordinary and Plenipotentiary,
for and on behalf of the Royal Italian Government

File No. 763.72/6684

The British Ambassador (Spring Rice) to the Secretary of State[1]

No. 260 WASHINGTON, *August 31, 1917.*
[*Received September 1.*]

SIR: I have the honour to inform you, under instructions from His Majesty's Principal Secretary of State for Foreign Affairs, that His Majesty's Government have been in consultation with the French Government regarding the proposed establishment of an Inter-Allied Council in Europe and that the two Governments have come to an agreement on the following points; they have further taken steps to obtain the adherence of the Russian and Italian Governments.

1. The proposals of the United States Secretary of the Treasury for the establishment of an Inter-Allied Council in London are accepted. To attain the maximum of administrative efficiency the council would carry out most of its work through sub-committees and would so far as possible utilise inter-Allied organizations already existing in London.

2. Its primary function would be to act as a clearing house for all Allied requirements of supplies from the American market and to report thereon to the Government of the United States.

3. It was agreed that the desirability of their being represented on the Inter-Allied Council should once more be impressed upon the United States Government even should such representation consist

[1] Referred to the Secretary of the Treasury, Sept. 4.

only of an assessor or assessors who, without necessarily being members of the council or taking any active part in its deliberations, would nevertheless be in a position to report to their own Government. It is understood that the French Government have even made such representation a condition of their own agreement to Mr. McAdoo's proposal.

4. It is considered desirable that the council should sit in London and it is hoped that the United States Government will nominate a chairman, failing which it is thought that the French Government should be asked to do so, in addition to being represented by delegates on the council.

5. Each of the Governments concerned should appoint at least two delegates.

I have [etc.]

(For the Ambassador)
COLVILLE BARCLAY

File No. 841.51/84

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *September 3, 1917, 4 p. m.*
[*Received 7 p. m.*]

7087. Your 5300, August 14, 7 p. m.,[1] last paragraph. Foreign Office informs me that in virtue of warrants issued by the Lords Commissioners of the Treasury on June 19 and July 31 last, full powers to bind British Government in signing any obligations, in whatever form, to be given to the Government of the United States in respect of advances made by it to the British Treasury were conferred upon Sir Cecil Spring Rice, Sir S. H. Lever, Sir Richard Crawford, Mr. Colville Barclay and Lord Northcliffe.

PAGE

File No. 868.51 War Credits /7

The Secretary of State to the Minister in Greece (Droppers)

[Telegram]

WASHINGTON, *September 8, 1917, 2 p. m.*

328. Referring to your telegram dated August 19, reporting a request by Prime Minister Venizelos for a loan for military purposes, the Secretary of the Treasury states that it will be difficult to reach conclusions about such a loan unless the Greek Government authorizes its diplomatic representatives in Washington to conduct

[1] *Ante*, p. 561.

their negotiations, and gives such representatives the fullest powers for binding the Greek Government by the signing of such obligations as may be required by the statutes of the United States. The Greek Government should further authorize its representatives to receive any moneys that might be advanced and to expend the same for purposes approved by the Secretary of the Treasury.

As to the merits of the proposal itself and the particular requirements which the Secretary of the Treasury might be willing to cover with a loan, it is pointed out that an Inter-Ally Council is about to be organized in Europe consisting of representatives of Great Britain, France, Italy and Russia, with the representatives of the smaller powers adjoined in such manner as may be later determined. This council will have for its function a coordinated study of the military needs of all the Allied powers, and, having made such study, will recommend to the United States Government a program of requirements with indicated priorities as to manufacture and shipment, and will also take into account, as far as available to it, information concerning facilities for transporting the materials in question. The place of meeting of the council has not yet been determined, but it will be London or Paris. The Secretary of the Treasury therefore suggests that the Greek Government keep itself informed through communication with the Allied powers above mentioned as to the progress made in the establishment of the council, and make its representations to such council.

Pending further progress along the lines above indicated, the Secretary of the Treasury can do now no more than to state that the matter is receiving his most serious consideration.

LANSING

File No. 868.51 War Credits/7

The Secretary of State to the Ambassador in Great Britain (Page)[1]

[Telegram]

WASHINGTON, *September 8, 1917, 2 p. m.*

5396. The Secretary of the Treasury has received from the Secretary of State paraphrase of a telegram from our Minister at Athens, dated August 19, and setting forth substantially the fact that the Greek Government desires a loan to be made by the United States Government for military expenditures necessary in connection with the mobilization of the Greek Army for operations against the Central powers. In view of these facts the Secretary of the Treasury hopes that the Government to which you are accredited will at its earliest convenience name the members of the Inter-Ally

[1] The same, on the same date, transmitted for the Secretary of the Treasury to the Ambassadors in Russia (No. 1693), France (No. 2620), and Italy (No. 907).

Council, the organization of which has been approved by it through its representatives at this Capital, and the functions of which are particularly to study the material needs of the various Allied powers for military purposes, and recommend to the Secretary of the Treasury such of those needs as may be thus fulfilled in the United States. The case thus presented by the application of Greece for assistance is one peculiarly illustrating the importance of a coordinated study of such problems in order that the wisest use may be made of the limited funds placed in the hands of the Secretary of the Treasury of the United States as an aid to the carrying on of the war against Germany.

LANSING

File No. 763.72/6939

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *September 21, 1917, 3 p. m.*
[*Received 3.30 p. m.*]

7218. Your 5396, September 8, 2 p. m. British Government are proceeding with all speed nomination of their delegates to Inter-Ally Council and hope very shortly to announce their names.

PAGE

File No. 868.51 War Credits /11

The French Ambassador (Jusserand) to the Secretary of State [1]

[Translation]

WASHINGTON, *September 21, 1917.*

MR. SECRETARY OF STATE: I have had the honor by my note of the 20th of last month,[2] in particular, to bring before Your Excellency the Greek Government's application for a loan and the needs growing out of the present war which such a loan would meet.

I had for my part, and in compliance with a wish of the American authority, asked my Government to specify, as accurately as possible, what those needs were.

I have just been informed in reply that the question was referred to a mixed Franco-Anglo-Greek commission and that, in addition, in so far as we are concerned Mr. Sergent, of the Bank of France, has been intrusted with a mission to Greece and is to look into the financial need of Greece, her own resources and the share of her military expenses she is able to defray.

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[1] A note in similar terms was transmitted by the British Ambassador (No. 316), Sept. 25. (File No. 868.51 War Credits/13.)

[2] *Ante*, p. 565.

An allotment has already been decided on, between France and England, with respect to the supplies needed by the Greek Army and which will be furnished by the two countries. This refers to artillery, ammunition, horses, equipment, victuals, transportation.

But the same inquiry brought out the fact that certain kinds of supplies could not be had in the two countries concerned and that the United States must be appealed to, particularly with respect to the following commodities:

Khaki cloth, 2,100,000 meters; Corozo buttons, 10,000,000; cotton fabrics for shirts and drawers, 6,000,000 meters; khaki and white thread, 5 tons; shoe nails and thread for 500,000 pair; leather for uppers, 250,000 kilos; sugar, 3,000 tons; cold storage meats, 20,000 tons; dried vegetables other than rice, 5,000 tons; oats, 45,000 tons; coffee, 2,400 tons.

Those needs are apportioned in ten months' installments beginning in January next, and it would be of the greatest importance to effect the first deliveries about the end of November. The Inter-Allied Committee at London is looking after the tonnage which those supplies call for. The first outlay would amount to about $16,000,000.

The Allies would be greatly thankful to the American Government if it would kindly, in the interest of the common cause, coincide in their views and accordingly place immediate order for such of those commodities as must be manufactured, especially the cloth and fabrics, and agree to the opening of suitable credits to be charged, if the authorities concerned are willing, to the contemplated $50,000,000 loan which has no doubt already been proposed to the Government of the United States.

Be pleased to accept [etc.] JUSSERAND

The Appointment of Delegates to the Inter-Allied Council—Financial Negotiations at Paris and London through the American Delegate, Crosby [1]—French Project of Separate Councils for Supplies and Finance—Organization of a Single Inter-Allied Council at London, December 13

File No. 763.72/7249

The Acting Secretary of State to the French Ambassador (Jusserand) [2]

WASHINGTON, *October 16, 1917.*

MY DEAR MR. AMBASSADOR: Referring to the communication addressed to you by the Secretary of the Treasury, under date of July 18, 1917,[3] which was enclosed to you by Mr. Phillips in his letter of

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[1] See also Mr. Crosby's report on his mission, *ante*, p. 392.

[2] The same, *mutatis mutandis*, on the same date, to the British, Russian, and Italian Ambassadors and the Belgian and Serbian Ministers.

[3] *Ante*, p. 546.

July 19, in which the Secretary of the Treasury suggested the establishment of an Inter-Ally Council in Europe for the execution of the functions therein indicated, and to subsequent communications received under various dates from you and the British, Russian and Italian Ambassadors and the Belgian and Serbian Ministers, to whom a like letter was sent, indicating acceptance by their Governments of the proposal and urging that the United States be represented at the council in at least a consultative capacity, I beg now to inform you, at the request of the Acting Secretary of the Treasury, that the wish of the Governments will be acceded to and that a delegate of the United States to attend the Inter-Ally Council in a consultative capacity will be designated very promptly by or with the approval of the President.

It appears to be a matter of great urgency that the Inter-Ally Council should be constituted very promptly and that it should be effective from the outset; and the Secretary of the Treasury hopes that the European Governments will proceed to formulate a memorandum of the constitution and the function of the Inter-Ally Council on the lines indicated in his letter of July 18, and the replies thereto.

I am [etc.] FRANK L. POLK

File No. 763.72/7534

The British Ambassador (Spring Rice) to the Counselor for the Department of State (Polk)

WASHINGTON, *October 19, 1917.*

MY DEAR MR. COUNSELLOR: I beg to acknowledge the receipt of your note of the 16th instant in which you inform me, at the request of the Acting Secretary of the Treasury, that the delegate of the United States to attend the Inter-Allied Council in London will be designated in the near future by, or with the approval of, the President.

I am in receipt of a telegram from the Foreign Office, which expresses the gratification which His Majesty's Government feel at this proposed step, and which instructs me to request that your Government will consent to the United States delegate acting as chairman of this council. I understand that the French, Italian and Russian Ambassadors here are putting forward a similar request on behalf of their respective Governments.

I am also in receipt of a later telegram from London, to the effect that the British delegates on this council have been nominated, as follows: Lord Buckmaster, Mr. Austen Chamberlain, and General

Smuts, and my Government would accordingly be glad to learn the name of the proposed United States delegate at as early a date as is conveniently possible.

Believe me [etc.] CECIL SPRING RICE

File No. 800.51/23

The Acting Secretary of the Treasury (Crosby) to the Secretary of State

WASHINGTON, *October 20, 1917.*

The total of loans and credits to date is now as follows:

LOANS TO FOREIGN GOVERNMENTS

(Acts of April 24, 1917, and September 24, 1917)

Country	Loans and credits agreed upon	Loans made	Balances under established credits
Great Britain	$1, 345, 000, 000	$1, 345, 000, 000	
France	770, 000, 000	770, 000, 000	
Italy	255, 000, 000	255, 000, 000	
Russia	100, 000, 000	40, 000, 000	$60, 000, 000
Russia	75, 000, 000	50, 000, 000	25, 000, 000
Russia	100, 000, 000	64, 700, 000	35, 300, 000
Russia	50, 000, 000		50, 000, 000
Belgium	45, 000, 000	37, 500, 000	7, 500, 000
Belgium	10, 500, 000	9, 500, 000	1, 000, 000
Belgium	2, 900, 000		2, 900, 000
Serbia	3, 000, 000	1, 500, 000	1, 500, 000
Totals	2, 756, 400, 000	2, 573, 200, 000	183, 200, 000

[OSCAR T. CROSBY]

File No. 763.72/7472

The Italian Ambassador (Macchi di Cellere) to the Counselor for the Department of State (Polk)

No. 997/C–6 WASHINGTON, *October 25, 1917.*

[*Received October 26.*]

MY DEAR MR. POLK: With reference to your letter of the 16th instant, File No. 763.72/7249, I desire to inform you that I hastened to transmit its contents, by cable, to my Government. I am now in a position to state that the Italian Government has appointed, as members to the Inter-Ally Council in Europe for the execution of the functions indicated in the letter of the Secretary of the Treasury, under date of July 18, 1917,[1] His Excellency Baron Mayor des Planches, Prof. B. Attolico and Col. A. Mola, who belong to the High Commissariat of London.

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[1] *Ante*, p. 546.

It is a gratification to me to inform you that my Government has learned with the greatest satisfaction that a delegate of the United States to the Inter-Ally Council in Europe will be designated very promptly, and to express to you, in the meantime, the earnest desire of my Government that the delegate of the U.S.A. will accept the presidency of the Inter-Ally Council.

I shall be greatly obliged to you if you will kindly convey the above said appointments as well as the expression of this desire to the Secretary of the Treasury.

As you may well believe, it would be very gratifying to me, should I be put in position to assure my Government that this desire—which is inspired by the intention to show a mark of the greatest appreciation for the part taken by the United States in the Inter-Ally Council—will find here a favorable acceptance.

I am [etc.] MACCHI DI CELLERE

File No. 868.51 War Credits /17

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

WASHINGTON, *October 29, 1917.*
[*Received October 30.*]

DEAR MR. POLK: In confirmation of our conversation this morning, I beg to inform you that we are in receipt of a telegram from London to the following effect:

The British Government consider that a co-ordination of financial policy appears to be the first essential for any co-operative action in Greece. They further feel that a joint enquiry should be instituted at the earliest possible moment, and they are suggesting to the French Government that the committee which was recently sanctioned at a conference in Paris, in order to control the purchase and distribution of supplies, should in the first instance undertake a joint enquiry into the facts of the Greek financial situation, and into the financial policy generally that the Allies should adopt. The British Government feel that it would be in the highest degree advantageous were the United States Government to be represented on this committee, which would then consist of three members. I am accordingly instructed to enquire whether your Government would agree to this proposal, and whether they would designate a representative on the committee, which it is hoped would convene in Athens in the immediate future. The United States Ambassador in London has been furnished with a copy of the general instructions which will be issued to the British delegate.

Yours very truly,

RICHARD CRAWFORD

File No. 763.72/7608a

The Secretary of State to the British Ambassador (Spring Rice)[1]

No. 1877 WASHINGTON, *November 6, 1917.*

EXCELLENCY: Referring to previous correspondence concerning the Inter-Ally Council, I have the honor to inform you that, with the approval of the President, Mr. Oscar T. Crosby, Assistant Secretary of the Treasury, has been designated to act as the delegate to represent the United States in the council, and that, in deference to the desire of the Governments expressed by their agents at this capital, the Government of the United States has no objection to having its representative accept the presidency of the council when organized.

Mr. Crosby, who will be the sole delegate of the United States, will have the assistance of a staff of advisers. He will proceed to London within a few days, but I should be grateful if you would kindly consider this information confidential until the announcement of Mr. Crosby's arrival in England has been made.

I have [etc.] ROBERT LANSING

File No. 868.51 War Credits /20

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *November 9, 1917.*
[*Received November 12.*]

MR. SECRETARY OF STATE: I am instructed to tell Your Excellency that the Government of the French Republic, like that of Great Britain, would be glad if the United States would join in the oversight of the advances made to Greece by designating a delegate to represent it on the commission that is to sit at Athens.

My Government adds that Mr. Sergent, a manager of the Bank of France who was on a mission at Athens studying the Greek financial conditions, has just returned to France with an exhaustive report. The French Government thinks it would be expedient to convene at the earliest possible date, in Paris, a conference which would finally establish the principles upon which financial aid is to be given to Greece. My Government, which is submitting a similar proposition to the British Government, would be glad if the Government of the United States would designate a delegate to that conference with the requisite powers to join in its labors and the decisions it may render.

Be pleased to accept [etc.] JUSSERAND

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[1] The same, on the same date, to the French (No. 1991), Russian (No. 26), and Italian (No. 345) Ambassadors, the Belgian (No. 34) and Serbian (No. 12) Ministers, and the Italian Ambassador in charge of Rumanian interests (No. 346).

File No. 865.51/41

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 10, 1917, 7 p. m.*

5775. For Crosby from Secretary McAdoo:

Referring to credit of $230,000,000 established for Italy at your suggestion to cover period to January 1 Italian Ambassador says that in addition to this amount he must have $90,000,000 which he had asked for his needs for September and which he says is in addition and not included in $230,000,000 which he had asked for October, November, and December. He also asks that large additional credits be established in order to enable Italy to repair the losses of stores and ammunitions recently suffered and to reassure the Italian people with respect to future conduct of the war. Please take this matter up and report your own views and those of the Inter-Allied Council.

LANSING

File No. 763.72/7706

The Delegate to the Inter-Allied Council (Crosby) to the Secretary of State

[Telegram]

LONDON, *November 13, 1917, 11 a. m.*

[*Received 1.20 p. m.*]

2. For Secretary of the Treasury:

Referring to Russian situation, Crane[1] states that no one better than Francis can give proper advice. Please repeat to me anything important from him on Russian situation for use and discussion here. Referring to your cable concerning Italian situation, fully expect confer to-morrow with some of the British authorities recently returned from Italy. I will then wire more fully but probably cannot make intelligent conclusions until conference with French as well as British representatives. Acuteness of Italian and the Russian situations tends to delay full organization of council. Referring to Belgium have just learned that large sums are still in the hands of Relief Commission in New York while London office is without funds to pay pressing necessities. This condition was not reported by Cartier although I have up to the present time urged report of full details of their expenditures from funds loaned. If British representatives will deduct from advances to them $10,000,000, if equal amount of Belgian funds be used for purchase of sterling exchange, see no objection to that course, which will immediately relieve the situation here, though constituting somewhat objectionable precedent of pur-

[1] Charles R. Crane, member of the President's Special Diplomatic Commission to Russia, 1917, of which Elihu Root was chairman.

chase of materials in England which in future should be supplied by that Government. I am also informed by Poland[1] that monthly requirements in future will largely exceed advances made in the past. Advise against increasing monthly loans immediately until after I have conference here with Belgian Government representatives. Expect this within the next day or two.

CROSBY

File No. 763.72/7721

The Delegate to the Inter-Allied Council (Crosby) to the Secretary of State

[Telegram]

LONDON, *November 14, 1917, 10 a. m.*
[*Received 10.20 a. m.*]

3. For Secretary of the Treasury:

Roumanian Minister here explains the failure of his Government to give powers to any representative for signing obligations due to factional jealousies in Jassy. Difficulty at last overcome to this extent that the Minister at Paris is now expecting to go to America soon. I shall see him next week. Meanwhile Minister here states that nothing can be done until further developments in the Russian situation. Referring to future efforts of France and England to obtain credits in neutral countries, thus diminishing the demand for money to purchase sterling exchange in New York, I believe that their efforts will not be whole-hearted as long as the great difference in rate of interest obtainable from us as compared with that which would be paid to others exists. I think it very important that I should say that you are considering the advisability of raising the rate of interest, at least on that portion of the loans made to them which would be expended outside of the country directly or indirectly. This will not commit you but I am positive it would have good effect here. I think it so important that I would like to have from you some telegram referring to this point though not necessarily taking positive stand. I expect to be in Paris next week meeting Tardieu and proceeding then more rapidly to organization of Inter-Ally Council.

CROSBY

File No. 102.1/393

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 15, 1917, 6 p. m.*

5821. For Crosby from the Secretary of the Treasury:

Treasury No. 5 answering your No. 3. I am obliged to raise the rate of interest on the 3½ per cent loans in connection with the

[1] W. B. Poland, Director for Europe, Commission for Relief in Belgium.

conversion of our own bonds. Recent loans have been at a 4¼ per cent rate. The rate on the 3½ per cent loans has been, of course, less than the cost of the money to the United States, and there appears to be an indisposition upon the part of the representatives of the Allied Governments here to make the rate of interest compensatory even in connection with the conversion of the short-time obligations into bonds. You may say that having regard to the expenses of preliminary financing and tax exemptions, and the burden laid upon the community in connection with each Liberty Loan campaign, I think the rate of 4¼ per cent does not compensate the United States for the cost of the money and must consider fixing a higher rate for future loans. I am also seriously considering imposing a higher rate of interest for that portion of our loans to foreign governments not used in the United States than upon that portion used here. This may be essential to the proper protection of our situation and the successful conduct of our financial operations both national and international. I earnestly hope that you will review this whole subject thoroughly in the light of international interests and with a view to some amelioration of the existing unsatisfactory exchange situation.

LANSING

File No. 102.1/393a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 15, 1917, 10 p. m.*

5825. For Crosby from Treasury:

1. Reading wrote Canadian Government will come into purchasing arrangements here but its consent conditioned upon not being required to obtain the endorsement of its requirements by the Inter-Allied Council in Europe. I hesitate to accept this condition. What is your view?

2. Reading wrote that moneys reimbursed in respect of British expenditure on ships are to be applied to $400,000,000 overdraft. This I should be willing to assent to provided that the United States is subrogated to the rights of British in respect to a proportionate part of the collateral for the overdraft.

3. The British Government consider that a coordination of financial policy appears to be the first essential for any cooperative action in Greece. They further feel that a joint enquiry should be instituted at the earliest possible moment, and they are suggesting to the French Government that the committee which was recently sanctioned at a conference in Paris, in order to control the purchase and distribution of supplies, should in the first instance undertake a joint

enquiry into the facts of the Greek financial situation, and into the financial policy generally that the Allies should adopt. The British Government feel that it would be in the highest degree advantageous were the United States Government to be represented on this committee, which would then consist of three members. Crawford enquires whether this Government would agree to this proposal, and whether they would designate a representative on the committee, which it is hoped would convene at Athens in the immediate future. The United States Ambassador in London has been furnished with a copy of the general instructions which will be issued to the British delegate. Please let me have your views.

4. Suggest you discuss possibility of Japan joining in assisting financing Allies. Am unofficially informed that Russia has spent 100,000,000,000 yen in Japan.

5. At Hoover's suggestion have taken up with Blackett and Simon proposal that United States should increase its advances to Belgium for Belgian relief by $1,500,000 per month, that France should increase her advances in the United States for Belgian relief by $1,000,000 per month and that Great Britain and France should provide an additional $5,000,000 per month for purchases in Europe.

6. The $3,000,000 credit granted to Serbia has been exhausted. Serbian Minister asks now for establishment of a new credit of $5,000,000 to be employed as formerly. What do you advise?

7. London Embassy advises that new Roumanian Minister plans to leave for Washington about November 18. Advisable that you see him before he leaves if possible. Leffingwell.

LANSING

File No. 102.1/394

The Delegate to the Inter-Allied Council (Crosby) to the Secretary of State

[Telegram]

LONDON, *November 16, 1917, 3 p. m.*
[*Received midnight.*]

No. 5. For Secretary of the Treasury:

Best judgment available here suggests that no additional credits need be given to Italy until about ten days hence when probably the military situation will have become more precise, either developing into complete break-down of Italian Army or making stand on some line which could probably be held for the winter. However, see no objection to giving some general encouragement for future support conditioned upon the continued belligerency of Italy without making any definite figure as to the additional ninety millions for Octo-

ber. Believe that the credit actually covered by the last letter prepared by me would for the present be sufficient since the amount therein stated could be made to cover all their immediate needs without referring to the particular months for which the amounts are named. It is not wise to permit large additional orders to be placed on the ground of the destruction suffered in the campaign up to this time since there is so much doubt as to the continued military resistance of the Army. Hence all military plans must be subject to later determination. I believe also that any increases should be kept in suspense as an additional motive for prompt action in getting Inter-Ally Council at work. I am seeing the Italian members to-day but know from the Ambassador that they have no specific instructions. Without continued pressure from me upon representatives of all parties they will continue to lag and look to you for solving all their difficulties however suddenly by themselves [they may] be presented to you. French financial agent here states that delay of his Government in naming delegates due to lack of knowledge as to the exact functions of the council. All this can be cleared up only by my visit to France next week. Political conditions in Great Britain, France and Italy just now so disturbed that consecutive constructive work rendered difficult. I think that even the increase of Belgian loans can await discussion by the council as immediate needs seem to be cared for. French Government has just advanced to Belgian Government here one [omission] pounds relieving temporarily the great distress of the commission's office here. If De Cartier has asked for transfer of funds by purchase of $10,000,000 sterling exchange referred to in my No. 2 I hope he will be told that it can be accomplished, and if Lever is notified to take advantage of this British demands should automatically be diminished by like amount on their exchange account.

CROSBY

File No. 102.1/405

The Delegate to the Inter-Allied Council (Crosby) to the Secretary of State

[Telegram]

LONDON, *November 21, 1917, 10 a. m.*
[*Received 1.34 p. m.*]

No. 8, for Secretary of the Treasury:

Referring yours November 15.

(1) Referring Canadian purchases. Recommend that small and urgent purchases may be made without reference to council here but their general program should be submitted if only to determine place in priority scale and further because of highly probable rela-

tion between Canadian and British finance. If, however, Canadians willing to accept foot of priority list see no great objection to letting them enter purchasing agreement without reference to council.

(2) Referring to moneys reimbursed on account of shipping construction. Treasury here would like assurance that it may be all applied in one way or another to payment of their outstanding cash obligations including bills held by Du Ponts and other manufacturers. Have proposed that best disposition would be to apply to $94,000,000 notes maturing February which are scattered as previously indicated. Lamont [1] naturally expresses preference that all available cash should be applied to reduction of overdraft but I consider we must deal with British Government solely on this subject. There will be no difficulty in having subrogation to collateral held against obligations thus met. Please advise amount of money and probable time of payment to British Government by Shipping Board considering possible changes in situation of Italy and France whose requirements for next year still unknown, possibly very large. Recommend that if application of these funds to Morgan overdraft insisted upon they must be put on notice that February maturity cannot be met unless large reductions in other programs be accomplished.

(3) Referring to Greek situation. Do not consider necessary to send special financial American agent to Greece. Information here that English and French experts are very capable master the situation; so urgent that probably no delay admissible such as would be invalued [*incurred?*] in getting American special agent there. It would be well, however, to ask our Minister to be associated with the French and English experts in financial investigations. During an interview with Venizelos yesterday he urged immediate help particularly in the way of food. Consider French and British absolutely bound to aid Greece whose situation very bad but do not believe we should make commitment for money until after conference in Paris with French authorities. Venizelos will be there. It seems probable that 200,000 tons Indian wheat may be allocated to Greek consumption. This could be financed by Great Britain. Future military movements not yet decided. Venizelos likely to be terribly disappointed, perhaps to the extent of complete discomfiture, if British and French troops are more or less withdrawn as is now anticipated but not known to him. This point entirely confidential.

(4) Concerning Japanese financial assistance. Treasury here considers not available nor particularly desirable. No war purchases being made by Allies in Japan save for Russia. Financial relations between Russia and Japan may present serious situations. No present action indicated.

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[1] Thomas W. Lamont, member of the firm of J. P. Morgan & Co.

(5) Concerning Belgium. Think proposed increase justifiable but recommend that it be made now for not more than two months in order to require further Belgian demands to be coordinated with other demands upon the Treasury.

(6) Referring to Serbia. Recommend application of Minister be granted.

(7) Concerning Roumanian Minister. Understand he is awaiting my arrival in Paris.

(8) Crespi, Italian Food Minister, just arrived. Thinks it necessary to get immediately large stores for Italy in order to prevent public excitement possibly reaching revolutionary crisis. This will be considered within next few days, possibly affecting amount of money immediately required. But slight prospect that program as to transportation of grain can be modified to meet his views.

(9) Referring to nitrate agreement. Understand that State Department and purchasing commission have authorized negotiation by Skinner. See nothing objectionable in financial side of contract which provides that each Government concerned shall finance its own purchases and provide its own shipping. Am asking British, French and Italian Governments to explain how they expect to finance their part merely because we must anticipate possibility of entire purchase price appearing in New York in the form of sterling bills.

Please advise Mrs. Crosby that Carraciolos stationed officially in Paris. CROSBY

File No. 102.1/403

The Delegate to the Inter-Allied Council (Crosby) to the Secretary of State

[Telegram]

LONDON, *November 21, 1917.*
[*Received November 22, 2.40 a. m.*]

No. 9 for Secretary of Treasury:

Food Administration here has been asked by our Food Administration to guarantee purchase of hog products up to May, 1919, on certain basis of amount and sliding scale of price varying with price of corn. General scheme seems good but Treasury Department here estimates British proportion may rise high as $430,000,000 and declines to make commitment until assured of funds from us to meet their guarantee if made. Have advised them you probably could not guarantee beyond end of war for any purpose whatever and that large amounts like this should not be passed upon until all other large purchases for ensuing six or twelve months shall have been indicated by each of borrowing governments. While fully recognizing great importance of this matter as part of food

supply of Allies, I hope it will be possible to delay action in so far as it rests upon obtaining guarantees from governments here which means only corresponding hasty action on part of Treasury in assuring long time credits for large amounts. Before having totals for consideration would like to know how soon it is desired to give guarantee to American farmers so as to present whole matter of anticipated expenditures with this included.

Referring to ship construction funds returnable to British Government, understand from Treasury here that they prefer application of all of it to overdraft. Have called attention to fact that this leaves their obligations with Du Pont and others and their February maturities entirely unprotected. They, however, seem to urge whole amount be applied to Morgan account. Have notified them I would cable you facts. Am uncertain how far you may feel committed to Morgan account by virtue of conversation in your office with Lamont some months ago. Think at least Du Pont notes $13,000,000 maturing December 15, should be cared for out of these funds unless assurance can be had of renewal of this obligation and of $17,800,000 due March 15. Respecting Italian application for loan. After conference with Chancellor here recommend that $7,500,000 per month for November and December be established as free credit available to Italian Government for any purposes, including support of lire exchange in New York, this to be in addition to $230,000,000 credit already established. Any other program for increase to await further study in France and by Inter-Ally Council. Great Britain is lending Italy £8,000,000 per month for general purposes and £1,500,000 per month for free credit similar to that above recommended. Please wire me your decision on this recommendation to Paris.

CROSBY

File No. 102.1/406

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 22, 1917, 3 p. m.*

5872. For Crosby, from Leffingwell:

Treasury 10. Replying your 5, think you had better let me have your recommendations as to additional credits now asked for by Italy at earliest possible moment. While obtaining what information you can as to necessity for these credits and advisability of granting them prefer that you should not allow decision to await formation of Inter-Ally Council even with a view to accelerating its formation. Existing situation in Italy is regarded here as reason for prompt and liberal action rather than for hesitation in matter of financial support.

LANSING

File No. 102.1/427

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *November 25, 1917.*
[*Received November 27, 6.10 p. m.*]

2794. No. 10 for Secretary of Treasury:

Referring your No. 10. My No. 9 has already recommended that we give free credit Italian Government of $7,500,000 for November and December. British Government doing likewise. This request came before recent disaster. Since then nothing definite received by Italian representatives or by British Treasury in London. I communicated also directly with Nitti, Finance Minister, asking figures. Received long letter from him but wholly without specifications of financial needs but indications that program will soon be prepared possibly for presentation to conference next week. If Ambassador has presented definite requests in Washington and you desire go further now with commitments, suggest that assurance be given of support for all material that may be recommended by conference or by Inter-Ally Council for purchases in United States. Seems impossible without further data to pass upon requests which Nitti's letter suggests will be made for help quite beyond United States purchases. General assurance of support recommended in my No. 5 might specifically include cost of cereals, amount for each ally to be determined probably this week. If this done must be recognized that considerable part will be spent outside of United States, as Italy's part of our exportable surplus may not cover her needs for year. Active participation of England and France in Italian campaign now renders more important than before coordinated study of munition program. It was this thought which inspired special reference to that delay in my telegrams Nos. 5 and 9. Character and quantity of material required by Italian Army and which would be covered by additional orders in America is being studied by general staffs but immediate pressure of German attack delays determination, hence I have concurred in Bonar Law's view by recommending that your definitive commitment be subject to further study of needs by council. This will not delay any substantial action nor would it interfere with moral effect already contemplated by my recommendation in No. 5. Crosby.

SHARP

File No. 763.72/7902

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *November 28, 1917, 11 a. m.*
[*Received November 29, 11.35 a. m.*]

2813. No. 11. For Secretary of the Treasury:

French Finance Minister proposes that instead of having one Inter-Ally Council as originally proposed, its functions shall be divided between two councils, one to deal with questions relating primarily to purchases and supplies and the other primarily with financial questions, trade council to have headquarters in London and finance council to have headquarters in Paris. It is suggested that I be chairman of each council as representative of the United States. Only suggestion of extending powers is to include questions relating to finance and war trade with neutral countries. These questions particularly those relating to exchange necessarily involved in the main questions for consideration of which council was formed. It seems probable that to some extent at least the two councils will have the same personnel. Colonel House and I favor the proposed division principally as means of satisfying apparent strong desire of French that portion of work originally planned for Inter-Ally Council should center at Paris instead of having all center at London. It is distinctly understood that the work of both councils will be recommendatory only and that finance ministers of governments represented in council will retain full freedom of action. Of course, European powers would in any case be free to have their delegates in these councils consider the extension of authorization above indicated but before taking part as United States representative in such organization prefer to have matter distinctly understood by you and to have your approval. Please cable promptly whether you concur. Crosby.

SHARP

File No. 102.1/432

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *December 3, 1917, 6 p. m.*

2902. For Crosby from McAdoo:

No. 17. Your No. 11. My own judgment is against two councils. Concentration instead of diffusion is the need of the hour, it seems to me, but am willing to accept your and House's judgment whatever it may be.

LANSING

File No. 102.1/434

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *December 4, 1917, 7 p. m.*

2916. For Crosby from McAdoo:

Treasury 19. Willing that funds paid British Government by Shipping Board should be applied to Morgan overdraft but insist upon subrogation in respect to proportionate value of selected collateral. Have in mind selecting Argentine collateral with a view to use in Argentina to relieve exchange situation. With reference to Du Pont notes and collateral notes maturing February 1, prefer not to interfere or make suggestions as to these matters which should be taken care of by British Government and their bankers independently.

LANSING

File No. 102.1/439

The Delegate to the Inter-Allied Council (Crosby) to the Secretary of State

[Telegram—Extract]

PARIS, *December 4, 1917, 8 p. m.*
[*Received December 6, 4.10 a. m.*]

No. 13. For Secretary of the Treasury:

(1) Referring my No. 11. Think very desirable to have authority proceed with organization of two councils as indicated therein. Reading will recommend plan to Bonar Law and expects approval by this. All now recognize absolute interdependence of neutral purchases, international exchange, and our advances to Allies, hence extreme desirability of consideration of all these questions in two central bodies.

. . . . . .

CROSBY

File No. 868.51 War Credits /25

The Secretary of State to the French Ambassador (Jusserand)

No. 2009 WASHINGTON, *December 7, 1917.*

EXCELLENCY: Referring to your note of the 9th ultimo,[1] in regard to the suggested conferences to be held in Athens and Paris on the subject of Greek finances I have the honor to inform you, after con-

[1] *Ante*, p. 576.

sulting the Secretary of the Treasury in the matter, that it is not considered possible to send a qualified financial representative of the United States to Athens to take part in the conference and that the United States would prefer not to be represented in such conference by a diplomatic or other representative, who, necessarily at this distance could not be made familiar with the views of the Secretary of the Treasury.

With respect to the conference at Paris concerning financial aid to be given to Greece it is preferred by us that the necessary investigation should be made by the French and British Governments, who could submit, for the consideration of the Secretary of the Treasury, any recommendations they might have to make for co-operation by the United States in the matter of extending financial aid to Greece.

It is suggested by the Secretary of the Treasury that in view of the presence in Europe of Mr. Crosby, Assistant Secretary of the Treasury, in connection with the Inter-Allied Council it would be well for the French and British Governments to inform him as to the facts and as to any recommendation which they may have to make in order that Mr. Crosby may communicate his views to the Secretary of the Treasury.

I have this day cabled to the American Ambassadors in Paris and London in this sense for the information of the French and British Governments, respectively.

Accept [etc.] ROBERT LANSING

File No. 102.1/447a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *December 8, 1917, 6 p. m.*

5994. For Crosby from Leffingwell:

Treasury 22. Plan for two councils outlined your Nos. 11 and 13 approved.

LANSING

File No. 102.1/451a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *December 13, 1917, 7 p. m.*

6029. For Crosby from Leffingwell:

Treasury No. 24. In connection with loans made under the act of September, important that representatives of Allied Governments should have it in mind that there has been no commitment on

part of United States to exchange demand obligations for long time bonds, or as to maturity of bonds if exchange is made, whole matter being optional with Secretary of Treasury subject to limitations imposed by act of September.

LANSING

File No. 763.72/8185

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *December 16, 1917, midnight.*
[*Received December 17, 2.08 p. m.*]

7984. No. 16 for Secretary of the Treasury:

Council organized Thursday.[1] French demand for two bodies withdrawn. Powers indicated my No. 11 given to council sitting in London and Paris, permanent secretary Paris, also London secretary. Italian delegates hope to receive from Rome necessary figures their case Wednesday next. Their demands upon Great Britain for $500,000,000 in six months likewise not yet supported by details. Meantime $93,000,000 asked by British from Italians is accepted by latter for payment of cereal purchased since last settlement covering August. Our advances to Italy thus far have covered approximately $20,000,000 monthly for that purpose, hence no new money should be involved except possibly for October and also by reason of permitted division of funds to other than original purposes. In any case recommended that this amount be advanced as soon as possible. When received figures supporting applications to Great Britain and ourselves will be compared before further recommendations made. Meanwhile it is advice of all concerned that only pressing demands should be met together with friendly statement that both lending Governments willing to extend substantial support when this can be intelligently done. Great Britain has figures for council in fair shape and study of these has begun. Meantime Prime Minister especially urges that large credits for January food purchases be at once established. Total estimate British expenditures United States in January about $345,000,000 of which approximately $70,000,000 returnable from Italy and France for their wheat purchases, hence net request to us $275,000,000. Principal items are about $65,000,000 food supplies, this being considerable increase over earlier anticipations; $130,000,000 for sterling exchange of which approximately $60,000,000 estimated covering cotton purchases, munitions, and various army supplies; about $50,000,000 wheat; Great Britain alone approxi-

[1] Dec. 13.

mately $30,000,000. In addition British Government will undoubtedly ask funds to meet $94,000,000 maturing February 1. Although I have explained your attitude on this subject apparently no way now known to Treasury here of meeting this debt, ship money having been promised for overdraft, Lamont thinks release this promise impracticable. No difficulty about subrogation collateral when transaction ready for execution. Please advise me as soon as possible amount and time of ship money payment. Rhondda claims Cabinet here has agreed food supplies take priority over all other needs as food situation London and other large cities unsatisfactory. Viewing this position and taking word of Prime Minister given personally to me concerning urgency of case, have stated would recommend that, without waiting further report, $185,000,000 credit be established but that all other demands should be held in suspense.

French Government preparing figures in France. Meantime ask $160,000,000 assurance for January subject to possible modification by council; think this reasonable.

If we should be forced to take British February 1 maturities figures proposed for Great Britain and France alone for January would thus total $535,000,000. I have emphasized seriousness of situation and all are much concerned but tendency to increased expenditure in all quarters is powerful corresponding to general feeling of insecurity as to military results of next few months and grave concern in all Allied countries as to attitude of public which must be well fed to prevent trouble. Please cable whether cash situation permits anything more than $500,000,000 per month for loans. Anticipate pressure for larger loans supported by sincere conviction here that without them whole cause may be seriously (jeopardized in?) six months.

Referring your No. 25.[1] Expect meeting to-morrow to conciliate French, English and American views on financial blockade, probably wiring you result same day. [Crosby.]

PAGE

File No. 763.72/8185

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *December 24, 1917, 7 p. m.*

6109. For Crosby:

Treasury No. 40, your No. 16. Of the $93,000,000 requested by British from Italians only $60,000,000 is asked for December and arrangements are being made to make this advance. For current

[1] Not printed.

purposes January, Lever now asks $235,000,000 stating, however, that it may be necessary to ask that this be increased to $275,000,000. In addition to foregoing and to ship money, Lever asks $160,000,000 in reimbursement of expenditures for Russian account, this sum together with ship money to be applied to overdraft, and says in that event it is hoped that the loan maturing February 1 can be arranged for in New York market. In accordance with your advice, am asking President to authorize establishment of credit of $185,000,000 for January, and indicating that it will be necessary to ask for increase of this amount. It will be wholly impossible to provide any such sum in cash as Lever indicates or even as that suggested by you, to wit, $275,000,000 current, $33,000,000 balance of $93,000,000 for Italian, $86,000,000 ship money, $94,000,000 February 1 maturity. Consent to use of ship money for overdraft was on assumption that February maturity would be otherwise provided for. It will not be possible to make total cash advances to foreign governments in excess of $500,000,000 for January. French here formally ask $155,000,000 for January instead of $160,000,000 suggested by you and I am asking President's approval of establishment of credit of $155,000,000. Italians have unused $100,000,000 of credit of $230,000,000 established at your suggestion just after your departure. Assuming $33,000,000 required to pay British for wheat, this leaves $67,000,000 for Italians' own use. Provided cash advances to all foreign governments to and including February 1 shall not exceed about $500,000,000. I have under consideration proposing plan for taking up overdraft and collateral behind it and issuing in exchange United States Treasury certificates of indebtedness or Liberty loan bonds with restrictions upon sale. This is for your confidential information and advice. Steady liquidation collateral behind overdraft presents grave impediment to our own finance measures and leads me to reconsider position heretofore taken in this respect, but utterly impossible to increase cash advances to any important amount. As to your general question whether cash situation permits anything more than $500,000,000 per month for loans, the foregoing in large measure answers it. In my judgment an attempt to increase loans beyond that amount would involve risk of financial disaster as gravely injurious to Allied cause as military defeat. This, of course, assuming that our own military program is not greatly curtailed which, I gather from announcements reported here by European statesmen, they would not be willing to have done. The solution of the problem is in coordination of purchases, ships and finance so that only things are bought which can go forward and go forward to the point where they are most needed. I am satisfied that much of the

expenditure of all concerned involved duplication and inadequate coordination with strain upon finances and no corresponding benefit to military situation. I count upon you and the Inter-Ally Council to put an end to this condition and am satisfied that with true coordination in man-power, in supplies and in ships the United States will be able to bear its great share of the financial burden; otherwise not. I should like to have exact figures as to amount spent by Great Britain and France in 1917 and contemplated in 1918, showing separately extent to which such sums were raised by taxes, by domestic loans, by loans in neutral countries, and by loans from United States. I should like to know what amount of gold Great Britain has in Africa and elsewhere in the control of the Government which does not appear in public statements. Answering your No. 19,[1] I do not think it would be expedient for you to have Anderson there with you. Realize you must have some staff to help you but not an employee of bankers for British Government. Will make inquiry and submit names for your consideration. McAdoo.

LANSING

File No. 800.51/26

The Assistant Secretary of the Treasury (Leffingwell) to the Secretary of State

WASHINGTON, *January 3, 1918.*

The total of loans and credits to date is now as follows:

LOANS TO FOREIGN GOVERNMENTS

Acts of April 24, 1917, and September 24, 1917

Country	Loans and credits agreed upon	Loans made	Balances under established credits
Great Britain	$2, 045, 000, 000	$1, 860, 000, 000	$185, 000, 000
France	1, 285, 000, 000	1, 165, 000, 000	120, 000, 000
Italy	500, 000, 000	400, 000, 000	100, 000, 000
Russia	325, 000, 000	187, 729, 750	137, 270, 250
Belgium	77, 400, 000	75, 400, 000	2, 000, 000
Serbia	4, 000, 000	3, 200, 000	800, 000
Totals	4, 236, 400, 000	3, 691, 329, 750	545, 070, 250

[R. C. LEFFINGWELL]

[1] Not printed.

COOPERATION OF THE UNITED STATES WITH THE ALLIED POWERS IN THE PROVISION AND ADMINISTRATION OF SHIPPING [1]

British, Russian, and Italian Statements of Shipping Needs—Contact between American and British Authorities during and after the Visit of the Balfour Mission—Delegation by the President, July 11, to the Shipping Board and Emergency Fleet Corporation of Powers for the Acquisition of Ships—Resolution of the Shipping Board, Communicated to the British Embassy July 24, for the Requisition of Completed Ships Built in American Yards for Foreign Owners—Protest of the British Government—Suggestions from the British and Allied Governments as to American Cooperation in the Utilization of Shipping

File No. 763.72/3701

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 6, 1917, 6 p. m.*
[*Received 8 p. m.*]

5952. Following my 5949 of to-day,[2] I send the following memorandum prepared by Sir Joseph Maclay, Controller of Shipping:

The most vital thing for the Allies at present is the provision of shipping. We have had to devote about half of our mercantile marine to direct war services and to assisting our allies. In addition to this have come the losses by war risk which have robbed us of 700 large vessels apart from a large amount of tonnage put out of commission at the same time through damage by submarines. The most drastic requisitioning has been carried out not only at the expense of our most vital export trades like cotton but all round; and we are to-day about 400 vessels short of the number we require to feed the country, maintain the war services and continue our existing liabilities to allies. In addition to the supply of munitions to Russia, estimated at over 3,000,000 tons, our imports this year will not be much more than half the figure of normal times. In these circumstances America might be urged to throw a supreme effort into shipping, which is the one great factor in the war in which France, Italy and other allies have been unable to give here [*help*] proportionate to that given in other directions and is now the most vital of all questions. America has huge quantities of munitions to go to the White Sea which some of her available tonnage might undertake and she might also immediately help export from the United States to France and Italy. Further, German tonnage could be made available with least possible delay, being repaired with all speed where damaged. German ships in Philippines might be used to bring sugar, rice, etc., to Italy, France and this country.

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[1] See also the section dealing with the taking over of German ships in American ports. Papers relating to the disposition of German ships seized by China and Siam are printed in the section dealing with the Far East, *post*, p. 682; those relating to the disposition of German ships seized by Latin American countries are printed in *Foreign Relations*, 1917, Supplement 1. Arrangements regarding the control in use and the procurement by charter of neutral shipping are dealt with in Vol. II of this Supplement.

[2] *Ante*, p. 11.

Shipbuilding in the United States could be developed and hastened. As the United States Government are probably aware the British Government have a considerable amount of tonnage on order through private channels in America.

British Government can instantly put at disposal of British Ambassador experts to cooperate with the United States authorities regarding all shipping matters.

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File No. 811.50/9

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 21, 1917, 2 p. m.*
[*Received 8.30 p. m.*]

6057. Hoover having made direct and thorough investigation into the alarming condition of shipping gives me the following report which I transmit with strong indorsement of his recommendation.

Shipping position is so critical that it is urgently necessary to create at once a committee that will undertake all chartering both for neutral and Allied tonnage for account commercial and governmental purposes, forbidding absolutely any private chartering except through such committee. This charter committee to cooperate with Allied charter committee existing here. During past ten days rates on neutral shipping have risen nearly 100 per cent due to frantic bidding of American shippers for neutral tonnage to be used to a considerable degree for purposes other than transport of food and materials into war zone. Of equal importance is to create simultaneously bunker committee which will license purchase of bunker coal with a rigorous prohibition established upon sale of any American coal whether at home or abroad directly or indirectly to any ship unless it have such a license. This committee by cooperating with existing Allied bunker committee here will control practically all bunker coal in the world and neutrals must accept service in carrying food and material at the peril of being without bunkers. As an example of present situation Spanish ships formerly carried almost entire Spanish iron to English furnaces. Since unlimited submarine warfare has been declared Spain refuses allow her ships to continue in this trade and in order to keep English furnaces and consequently English munitions going it has been necessary to divert English shipping to carry this iron ore. Further than this Spanish Government now compels these English ships to transport coal to Spain in exchange for iron ore; beyond this again Spain requires them to devote 20 per cent of their iron ore space to carrying oranges to England where they are not wanted; further than this Spanish shipping is now being chartered at high market rates to American shippers and others for mercantile trade to neutral countries and to neutrals for inter-neutral trade. The net result of Spanish action has been to greatly diminish available shipping and imperil food and munition supply and could at once be corrected if bunker coal were placed

in entire control so that Spain should be compelled to carry her iron ore to England in exchange for coal. This matter is of most critical importance and requires immediate action. Herbert Hoover.

PAGE

File No. 763.72/4045

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *April 24, 1917, 3 p. m.*
[*Received 11.30 p. m.*]

1216. Russian Government asks me unofficially whether we can furnish tonnage to Archangel. English control that port but admit their tonnage is short. If Russian Government informally advised that we can supply deficiency, or a part thereof, it will so inform England and request us to furnish same. Are German interned ships available or any other tonnage? FRANCIS

File No. 195/82

The British Embassy to the Department of State

Undated.

TRANSPORTATION

1. Urgency of tonnage situation makes it of utmost importance that British Government should know as soon as possible how far they can rely on American assistance in regard both to new construction and existing ships.

2. British Navy require 60 per cent of British shipbuilding yards, engine shops and available labour instead of about 20 per cent in normal times. Assistance of United States Government in supplying steel plates for shipbuilding purposes would be very valuable. Steel should also be made available for building in Canada, Hongkong, Shanghai and Japan.

3. Half the British mercantile marine is engaged in service of the British Army and of the Allies and the balance is totally inadequate to meet essential demands owing to heavy losses. Reservation of United States steel production for war purposes is regarded by His Majesty's Government as the first outstanding need.

4. The British Government also badly need tank steamers and the following are their definite requirements:

(*a*) Eight large tank steamers to convey oil fuel from the United States to the United Kingdom for British Navy requirements for a period of at least eight months.

(*b*) Assistance to the Union Petroleum Co. to enable them to charter tank steamers to convey oil fuel to Chili for nitrate *oficinas* thus releasing the British tanker *Cordelia* required for the United Kingdom.

(*c*) Any assistance possible by placing tank steamers in general United Kingdom trade.

This matter is urgent especially (*a*).

File No. 763.72/4685½

Mr. Balfour, for the British Special Mission, to the Secretary of State

MEMORANDUM [1]

During the informal discussions between members of the British mission and the Chairman of the Shipping Board, mention was made of the requirements of Great Britain for steel, plates, forgings, etc., from the United States for shipbuilding. The needs of Japan, Canada, Hongkong and Shanghai for United States steel for the same purpose were also alluded to, and the question was raised whether it might be assumed with certainty that this material was in every case required solely for immediate and essential war construction. If this were not the case in regard to Japan, it was suggested that the supply of United States steel to her might be made conditional on the proper employment in the interests of the Allies of Japanese shipping already built or under construction with United States steel.

In order to be able to give a complete answer in the light of fresh developments during the past month, Mr. Balfour referred these questions to his Government and he is now in a position to give to the Government of the United States an official assurance that ships built in the United Kingdom, Canada and Hongkong with steel supplied from the United States will be used for essential purposes connected with the war and that the output of the yards in all three places is being directed solely with this end in view. No such assurance can at present be given as regards Japan and His Majesty's Government are in full agreement with the suggestion that the supply of United States steel to her should be made

[1] Transmitted under covering letter, dated May 15, 1917, which reads in part: "My dear Mr. Secretary: I have the honour to enclose herewith a memorandum covering certain points which have come up during informal discussions between the members of my mission and the chairman of the Shipping Board. As this memorandum touches on important questions of international policy, I think it right to communicate it to Mr. Denman through you."

conditional on a suitable arrangement as to the employment of Japanese shipping. As regards Shanghai, the amount of steel required is not likely to be large and as exact information is not available at the moment as to the situation at that port, the question of the supply of steel from the United States may be left in abeyance for the present, to be settled on its merits when it eventually comes up for practical consideration.

The requirements of Hongkong cannot be stated exactly but the figure for that colony will probably be about 20,000 tons. The requirements of the United Kingdom and Canada will form part of the general steel requirements of these countries which will, it is understood, be discussed at the pending munitions conferences.

Further, in regard to the question also raised by the chairman of the Shipping Board during the informal discussions as to the contracts placed by His Majesty's Government with the various yards in the United States, Mr. Balfour is desired by his Government to make the formal official statement that these contracts were placed with sole reference to the exigencies of the war and for no other purpose. His Majesty's Government at first desired to place orders in the United States for construction of standard ships in conformity with the policy adopted in Great Britain, but in practice it was found necessary, with a view to the earliest possible deliveries, to adopt in each case the type and size of ship best suited to the facilities of each particular yard. As he has no knowledge of the construction or standardization policy of the Shipping Board Mr. Balfour is unable to judge whether that policy will introduce new factors rendering possible the more rapid construction of other types of ships, but he is confident that the United States Government will shortly arrange for close and detailed discussion between the expert advisers of the two Governments on this subject, and that meanwhile they will facilitate in every way possible the rapid execution of the existing contracts in respect of which he has given the above assurances.

File No. 195/87

The Chief of the British Special Mission (Balfour) to the Secretary of State

WASHINGTON, *May 23, 1917.*

DEAR MR. SECRETARY: I send you a copy of a letter which I have addressed to Mr. Denman to-day.

Yours very sincerely,

ARTHUR JAMES BALFOUR

[Enclosure]

The Chief of the British Special Mission (Balfour) to the Chairman of the Shipping Board (Denman)

WASHINGTON, *May 23, 1917.*

DEAR MR. DENMAN: As was arranged the other morning I write to place on record the results of our conference in regard to the possibility of increasing the output of shipping in the United States.

I understand the problem to fall under three heads—(1) wooden ships, (2) fabricated steel ships, and (3) ordinary steel ships. As regards the first and second heads I understand that General Goethals' arrangements are now well in hand, but that, pending the grant of appropriations by Congress, he is not in a position to make a final statement on all the points involved in his programme.

As regards the third head, General Goethals is, it appeared, of opinion that it might be possible to expedite the completion of certain ships already laid down or contracted for. He counts on being able to speed up the production of steel, and hopes to be able to speed up its transportation in such a way as to make it possible for the yards to work with two or even three shifts in the twenty-four hours instead of the one shift, which, according to the enquiries of the experts, is all that the rate of delivery of steel makes possible at the present moment in the majority of cases. He also counts on being able to organise the supply of engines, winches, anchors and other parts of the completed ship so as to bring all parts of the ship to a state of readiness at the same earlier date as the hulls. By this means General Goethals hopes to turn out 3,000,000 tons in the next eighteen months. By the end of that time or even before it should be possible to have erected new yards which will render possible a material increase in the rate of output.

On behalf of the British Government I stated that our sole desire was to secure that as much tonnage as possible should be constructed and put in active operation in trades essential to the successful prosecution of the war in the shortest possible time. I asked whether General Goethals in the course of his energetic enquiries has obtained any information tending to show that the contracts placed for account of His Majesty's Government with yards in this country were in any way an obstacle. He replied that he was not prepared to say this, as his only information was that certain builders had stated in general terms that if the ships at present on their slips could be more rapidly completed their yards would be freer to deal with his new programme. I then stated that, as regards the question of the ownership of the ships for which contracts had been placed by the British Government,

and as regards the question of the flag under which they should eventually be launched, we were not called upon to make a decision and we would make no claim. These questions were primarily ones for the consideration of the Government of the United States. If that Government, after full consideration, were to inform us that they could only arrange for the speediest possible construction and putting into commission of the maximum number of ocean-going ships, which we agree to be the paramount object to be attained, by taking over, varying or cancelling any contract or contracts now in existence, His Majesty's Government would certainly not stand in their way and would only ask that the grounds on which the technical advisers of the United States Government had formed this opinion should be communicated to, and, so far as reasonably possible, deliberated upon with, the technical advisers of His Majesty's Government. Similarly, if the United States Government were to inform my Government that it was desirable on broad grounds of national policy that any or all of these ships should be owned in the United States and should fly the American flag, my Government would unhesitatingly bow to the decision so conveyed to them. His Majesty's Government therefore can only await an official expression of the views of the Government of the United States through the usual channels and meanwhile I would draw your attention to the official assurances and statements which I had the honour to convey to the Secretary of State in my memorandum enclosed in my letter to him of May 15.

I am forwarding a copy of this letter to the Secretary of State and General Goethals.

Believe me [etc.] A. J. BALFOUR

File No. 033.4111/7

The Counselor of the British Embassy (Barclay) to the Secretary of State

No. 157 WASHINGTON, *May 29, 1917.*
[*Received May 31.*]

SIR: I have the honour to inform you that Mr. Thomas Royden and Mr. Salter, officials of the British Government who are coming to this country to consult with the United States Shipping Board, will arrive at New York on the S.S. *Adriatic* probably in the course of the present week.

I should be very grateful if you would be so kind as to cause the usual customs and other facilities to be granted to these two gentlemen.

I have [etc.] COLVILLE BARCLAY

File No. 763.72/5074a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *June 2, 1917, 4 p. m.*

4909. Italian commissioners represent that the situation of their Government as to the supply of coal is most critical and they earnestly solicit the aid of this Government in obtaining immediate relief by shipment of supply. They assert that the means of transportation must be furnished by us, and that unless we can arrange to do this without delay it will be practically impossible for Italy to continue military operations.

Commissioners claim that the monthly requirements are 800,000 tons, that at present Italy is receiving from Great Britain about 400,000 tons, and that the amount on hand is only 450,000 tons.

Please take up this matter immediately with Foreign Office and telegraph their opinion as to the course of action which we should take. I have conceived that the decrease in the amount of coal shipped from Great Britain may not be due entirely to the intensified submarine warfare. If this supposition is correct I would like to know confidentially what the real reason for the decrease is. It is essential that we should be fully advised of the attitude of Great Britain and France in regard to this matter and of their purposes in case the decrease of coal shipments was caused intentionally.

A similar telegram is being sent to Ambassador Sharp.[1]

LANSING

File No. 763.72/5228

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

WASHINGTON, *June 1, 1917.*

[*Received June 5.*]

DEAR MR. COUNSELLOR: You will recollect that on April 10 I brought to your attention the very large quantities of munitions for Russia awaiting shipment to the White Sea, for the transport of which I expressed the hope that the United States might be able to assign some of its available tonnage. Since that time, in communications and discussions on the subject of the transportation of Allied supplies, we have perhaps laid more emphasis on the needs of France and Italy and on the tonnage required to convey railway material, etc., to Vladivostok than on the urgent requirements of Archangel. Recently, however, the Chargé d'Affaires of the Russian Embassy and the Russian commission in New York

[1] No. 2309, same date.

have urged on our attention the fact of the large stocks of munitions now accumulated here which can only be shipped to Archangel. They have emphasised the shortness of the period during which shipment to Archangel is possible as entitling this service to priority over other services for the Allies, and they have also pointed out that, owing to the special conditions at Archangel, requiring ships of a certain draught only, it would be just that they should have first choice of ships which the United States Government may place at the disposal of the Allies.

According to figures supplied by the Russian Government Transportation Committee in New York, reckoning stocks now on hand (212,000 tons) and deliveries up to the middle of September, Russia will require to ship 613,000 tons of cargo to Archangel up to September 15, from this country.

We have submitted this situation to the Government in London and we hope to have some indication, necessarily a rough one, of the extent to which we expect to be able to furnish Russia with tonnage for the White Sea, but meanwhile we are instructed to put before you the urgent need for ships for this service and to inform you that the British and Russian Governments are in full agreement as to its vital importance. I trust that this statement may be of some assistance to the United States Government in deciding the allotment of American tonnage among the Allies.

Yours sincerely,

R. CRAWFORD

File No. 763.72/5127

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 5, 1917, 9 p. m.*
[*Received 9.10 p. m.*]

6367. Your 4909, June 2, 4 p. m. Lord Robert Cecil assures me that lack of sailing vessels is the only reason why Great Britain does not fully supply Italy with coal. They now send about 450,000 tons a month which they are trying to increase to 500,000. . . . He would be glad if we could supply 100,000 tons a month and he thinks that 600,000 tons would keep Italy going. He raised the question whether if we have ships it might not be better after the initial voyage to take coal from England on account of the shorter haul. He disclaimed any concern about the commercial aspects of the case since the question is solely one of ships. I reminded him of the greater submarine danger of the route from England to Italy over the United States to Italy. He replied, " Yes, somewhat, but there isn't

much difference." The foregoing figures are subject to possible correction. He is now having the record examined and will inform me to-morrow.[1]

PAGE

File No. 763.72/5061

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *June 9, 1917, 5 p. m.*

1474. Your 1216, April 24, 3 p. m.,[2] and 1321, May 25, 5 p. m.[3] Shipping Board advise that utmost is being done to secure vessels for Archangel trade; that steamers *Nassovia* and *Portonia* already in Archangel service; that board is in daily communication with Russian commercial attaché, who has submitted list of requirements; and that it has been policy of board to dispatch ships as they come from repair yards to France, Italy and Russia, share and share alike.

LANSING

File No. 763.72/5551

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *June 26, 1917, midnight.*
[*Received June 27, 7.30 a. m.*]

6543. My 6503, June 20, 5 p. m.[4] I have just received from the Admiralty the following startling information:

Tank steamers of 60,000 tons capacity have been torpedoed since the first of this month. This heavy loss comes upon the top of arrangements which at best would have brought an insufficient supply. The result is stock now England for the use of British Navy will last only six weeks at the lowest conventional rate of consumption. If any special demand should be made by Navy the entire supply might be used up at once. No such dangerous situation has [arisen] during the war. All the oil that can be carried to this country by the tankers available for naval use is only two-thirds of required amount even when fleet activities are curtailed as at the present time. This perilous situation seems to me to warrant the following recommendations:

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[1] In his telegram No. 6395, June 7, the Ambassador stated that the figures given in a memorandum then received were substantially the same. (File No. 763.72/5192.)

[2] *Ante*, p. 595.

[3] Not printed.

[4] *Ante*, p. 106.

(1) That ships at the present time carrying oil in bulk to neutral countries be diverted to the United Kingdom;
(2) That tank ships doing any service other than that directly aiding European military situation be taken for this purpose;
(3) That construction and conversion of oilers be hastened to the extreme limit and if necessary regardless of cost for bonuses.

A failure quickly to replenish stock here may at any time cause disaster. Two hundred thousand tons must be delivered by August 30 and an additional by September 30 and the vessels which bring these quantities must be continued in the service. These quantities must be in addition to shipments already arranged for. Of course I need not [point out] the necessity for absolute secrecy regarding this matter.

The Admiralty will highly appreciate an answer saying what can be done.

This message is sent after consulting the First Lord of the Admiralty and Admiral Jellicoe who expressed gratitude for sending it.

PAGE

Executive Order No. 2664, July 11, 1917

By virtue of authority vested in me in the section entitled "Emergency Shipping Fund" of an Act of Congress entitled "An Act Making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June thirtieth, nineteen hundred and seventeen, and for other purposes," approved June 15, 1917, I hereby direct that the United States Shipping Board Emergency Fleet Corporation [1] shall have and exercise all power and authority vested in me in said section of said act, in so far as applicable to and in furtherance of the construction of vessels, the purchase or requisitioning of vessels in process of construction, whether on the ways or already launched, or of contracts for the construction of such vessels, and the completion thereof, and all power and authority applicable to and in furtherance of the production, purchase, and requisitioning of materials for ship construction.

And I do further direct that the United States Shipping Board shall have and exercise all power and authority vested in me in said section of said act, in so far as applicable to and in furtherance of the taking over of title or possession, by purchase or requisition, of

[1] Established Apr. 16, 1917.

constructed vessels, or parts thereof, or charters therein; and the operation, management and disposition of such vessels, and of all other vessels heretofore or hereafter acquired by the United States. The powers herein delegated to the United States Shipping Board may, in the discretion of said Board, be exercised directly by the said Board or by it through the United States Shipping Board Emergency Fleet Corporation, or through any other corporation organized by it for such purpose.

WOODROW WILSON

THE WHITE HOUSE,
11 July, 1917.

File No. 800.852

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 18, 1917, 3 p. m.*
[*Received July 18, 2.25 p. m.*]

6761. My 6759, July 18, 1 a. m. [*p. m.*][1] Williams, commercial attaché, is working admirably with the Ministry of Blockade on all questions that fall to that department and the work constantly increases. Williams therefore has his hands full. The British Government is especially anxious to have a man sent or designated by our Government as a member of the Allied Chartering Committee. He ought to be a practical shipping man. The need of such a man is great at present. Williams is attending that committee's meetings till such a man can be sent. We ought to have a man here who can give his whole time to this important task.

PAGE

File No. 411.57N83/126

The Vice Chairman of the United States Shipping Board (Brent) to the Counselor for the Department of State (Polk)

WASHINGTON, *July 23, 1917.*

DEAR MR. POLK: Pursuant to conversation with members of the Shipping Board this afternoon, I enclose copy of a resolution just passed concerning merchant vessels now completed.

The vessels under this designation are vessels which will undoubtedly go to British or Norwegian registry. Therefore it is the urgent request of the Shipping Board that this resolution, which calls for twenty-four hours' notice, be served this afternoon, if pos-

[1] Not printed.

sible, upon the British and Norwegian Embassies [*sic*], as it is our desire to take title and possession to-morrow to several vessels which will go to these nationals, and we want to have the notice given so as to permit this action to be taken.

Please advise us the hour of delivery to the several Embassies so that we may comply thoroughly with the terms of our own resolution.[1]

Very truly yours,

THEODORE BRENT

[Enclosure]

Resolution of the United States Shipping Board of July 23, 1917

Be it resolved, That in this present emergency the Board proceed to requisition title to and possession of all launched merchant vessels where construction is completed and which construction was commenced in our yards under contracts which would lead to foreign documentation, other than those vessels which it is shown by competent evidence, have already been given by a foreign government either permanent or provisional registry by such government.

Provided, That no completed vessel shall be requisitioned without twenty-four hours' previous notice to the embassy of the national owning the ship of our intention to requisition it.

File No. 195/406

The British Ambassador (Spring Rice) to the Secretary of State

No. 223 WASHINGTON, *July 25, 1917.*

[*Received July 28.*]

SIR: I have the honour to acknowledge the receipt of your note of the 24th instant enclosing a resolution of the Shipping Board as to requisitioning vessels building in American yards for foreign governments or owners.

As you are aware, this has been the subject of frequent discussion both verbally and in correspondence between your Government and ours.

We had expected in view of the state in which these discussions were left that no actual decision would be arrived at without a further communication with us and we had no idea that the Shipping Board were re-considering the matter with a view to a final decision.

Your note forwarding the resolution is dated on the day on which

[1] The resolution was communicated to the British Ambassador and the Norwegian Minister, July 24. (File Nos. 195/126a and 411.57N83/190.)

the resignations of the chairman and one of the members of the Board were announced; and I see that it is stated to-day that the vice-chairman also has tendered his resignation.

In the circumstances, I presume that we may expect the new board will reconsider the matter in the light of the representations which have already been made.

I should be obliged if the following considerations could also be brought to the notice of the Shipping Board:

At the beginning of the war there was a considerable number of vessels building in Great Britain which were the property of Great Britain's allies or of neutral shipowners, just as there is now a number of vessels building in the United States which are the property of the British Government.

It was therefore necessary for Great Britain to consider, as America has now had to consider, how she should control the building of such ships in view of the limited supplies of labour and material, and whether in view of the enormous strain upon her mercantile marine imposed by war requirements she would be justified in breaking contracts, and requisitioning the vessels.

It must be remembered that the strain thrown upon the British mercantile marine by the immediate necessities of the war was enormous.

While the vessels in question were still building, half of the British mercantile marine had to be devoted to direct naval and military requirements.

In addition, in view of the inadequate mercantile marines of her allies Great Britain provided some 2,000,000 tons to France, Russia and Italy at rates very much below (and in the case of nearly a million tons at less than one-sixth of) the present market rates.

The strain gradually forced Great Britain to abandon her shipping interests, and to destroy old established lines, till now no ocean-going British vessels are allowed to trade on any route except those which are required, not for trading purposes but for the transport of articles essential to the Empire.

Similarly, civilian consumption had to be cut down to a point involving real hardship to the individual citizen as well as destruction of industries not directly required for war purposes. Before the war, Great Britain imported over 50,000,000 tons of civilian and industrial requirements (including nearly 20,000,000 tons of foodstuffs). This year her imports for civilian requirements will be about 20,000,000 tons including foodstuffs, and this in spite of the fact that she is bound anyhow to import four-fifths of her wheat supply.

At the same time the brunt of the submarine campaign has fallen upon Great Britain whose mercantile marine has lost a larger proportion than that of any of her allies.

Since the war began, over 4,000,000 tons gross of British tonnage have been destroyed by war risk. Allowing for gains by new building and by seizure of German ships, this still leaves a net loss of two and one-fourth million gross tons. In contrast to this American tonnage shows an increase (including some half million tons of seized German ships) of nearly one and three-fourths million gross tons. Excluding as gains in both cases the seized German ships, the war has meant a net *loss* of two and three-fourths million tons gross to Great Britain and a *gain* of nearly one and one-fourth million gross tons to America. At the same time America is only beginning to have her mercantile marine drawn upon either for her own military requirements or for providing ships to the Allies.

In the circumstances described above, the action taken by Great Britain was as follows:

In the case of vessels building for Allied countries, she gave unconditional facilities for the completion of the vessels and allowed them to remain under Allied ownership, under the Allied flag and under Allied control, both during the war and afterwards.

Even in the case of mercantile neutral vessels, she did not feel justified in breaking the contracts. All she did was to make an arrangement with the neutral owner under which, in return for facilities for the speedy completion of the vessels, they were chartered (at rates leaving about five times the profit allowed for British ships) for the period of the war and six months after, the vessels being then transferred to the neutral flag and remaining throughout the property of the neutral.

These arrangements both in the case of the Allied ships and the neutral ships were of course in no way inconsistent with the proper control of building by the British Government who arranged for the supply of steel, etc., under the priority system set up on account of the shortage of material. The control of building, however, was treated as an entirely separate question from that of the control and ownership of vessels after completion.

In conclusion I ought to add that the communications I have received from His Majesty's Government show that they consider the retention of their vessels building in America to be essential to their shipping programme and would learn with great regret that the United States Government intended to break the contracts.

I have [etc.] CECIL SPRING RICE

File No. 763.72/6101

The British Embassy to the Department of State

[WASHINGTON,] *undated.*
[*Received July 28, 1917.*]

PARAPHRASE OF TELEGRAM JUST RECEIVED BY THE BRITISH EMBASSY FROM THE FOREIGN OFFICE IN LONDON

It was decided at a recent meeting held in Paris that the future naval and military policy of the war was entirely dependent upon the shipping situation. After consideration it was decided that a meeting of responsible shipping representatives from Allied countries should be held as soon as possible in London in order to discuss the whole shipping problem, and especially to obtain information as to the exact amount of shipping which the Allies could dispose of during the next twelve months to meet requirements for transport of troops, maintenance, and import of all absolutely essential requirements into Allied countries.

August 10 was fixed as the time for conference. Please explain to the United States Government that it seems obvious that the proposed conference would be incomplete unless United States representatives were present. Press most strongly on United States Government the great necessity for their representation at the conference.

Please let me know as soon as possible what date United States representatives will arrive here.

File No. 103.95/34

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

WASHINGTON, *July 28, 1917.*

MY DEAR POLK: You will recollect that at the end of May and beginning of June we discussed the question of requiring Dutch and Scandinavian ships, but especially the ships of the Holland-America line, to bring cargo for the United States on their westward voyage in ballast.[1] You will also recollect that in the case of Dutch ships bound for South American or Far Eastern ports via Halifax, we told you that we had stipulated that such ships should perform intermediate services by carrying American coal to the Canal, the West Indies, the Atlantic islands or the Plate.

[1] See memorandum from the British Embassy, May 29, Vol. II, p. 1119.

We have never had from you any suggestion as to the cargo for the United States which you wish these ships to carry, though we have discussed with the Department of Commerce the possibility of making them carry pyrites from Norway, and we have also been enquiring of Mr. Farrell as member of the Co-operative Committee on Steel and Steel Products of the Advisory Commission of the Council of National Defense, whether such ships should be required to carry Swedish iron ore to this country from Narvik. The pyrites question has not yet come to a head, and Mr. Farrell has as yet been unable to supply us with information as to the need for iron ore.

Within the last two days Mr. Colver, of the Federal Trade Commission, has approached us with regard to the need for ships to carry pulp and paper from Newfoundland in connection with the commission's scheme of providing cheap paper for the smaller newspapers in this country. We have suggested that he should take this matter up first with the Shipping Board, and we have also promised him that we would remind you of our offer to consider any suggestions from you as to intermediate services which these neutral ships should perform for this country. It seems to me that we may get into some confusion if we are only able to consider isolated periodical requests for miscellaneous services, and it would obviously be of great advantage if we could have some more comprehensive statement from you of the supplies needed by this country, which outward bound neutral ships from Northern Europe, calling at Halifax, could be required to carry.

Believe me [etc.] RICHARD CRAWFORD

File No. 763.72/6101

The Acting Secretary of State to the British Ambassador
(Spring Rice)

WASHINGTON, *August 1, 1917.*

MY DEAR SIR CECIL: Referring to the paraphrase of a telegram from London which you left with Mr. Phillips on Saturday afternoon, July 28, regarding a conference of shipping representatives of Allied countries soon to be held in London in order to discuss the whole shipping problem, I beg to say that it has been decided that inasmuch as there is a conference on shipping being held here now it would be well for this Government to await the result of this conference before taking part in the conference suggested in London.

I am [etc.] FRANK L. POLK

File No. 763.72/6211

The Italian, Russian, and British Ambassadors, the British Commercial Delegate, and the French High Commissioner to the Secretary of State

[Free translation [1]]

WASHINGTON, *July 31, 1917.*
[*Received August 3.*]

MR. SECRETARY OF STATE: The tonnage question, which is daily becoming more grave, is occupying, as you are already aware, the serious consideration of the powers which we have the honour to represent.

Ever since the beginning of the war Great Britain has been obliged to diminish more and more her building of merchant ships; from 2,000,000 tons a year her production fell in 1916 to 700,000 tons. In France the building of merchant ships has practically ceased altogether. This has also been the case in Italy and Russia, where the shortage of primary materials and the needs of the war have brought the work of the shipyards to a standstill.

On the other hand a large number of ships have been withdrawn from the mercantile marine and requisitioned by the naval authorities to carry supplies for the fleet and for the expeditionary forces, to transport troops, and to guard territorial waters, etc.

Lastly the campaign waged by the submarines has inflicted most serious losses and up to the present time no infallible and decisive means have been discovered for combating them. Since the beginning of the war more than 7,000,000 gross tons have been sunk, and of this figure 3,000,000 tons were sunk during the five months which have passed since the recrudescence of submarine warfare, that is since February 1, 1917.

Meanwhile neutral shipowners have become so greatly alarmed by these results that they have progressively restricted the assistance which they had hitherto lent to the carrying trade of the Allies and even of their own countries. Many ships, which would be invaluable to us if running, are laid up in Spanish and Dutch ports and even in those of Norway and they refuse all offers of freight.

To sum up. The salient facts are as follows. Construction is insufficient, part of the Allies' merchant marine has been immobilised, services rendered by neutral vessels are reduced and destruction by submarines continues. The Allies' needs are increasing, they are coming to depend more and more in their struggle against the Central Empires on oversea transport for the feeding of their populations and the supply of their munitions factories, and their tonnage requirements continue to grow; and the anxiety inspired by this situation becomes more and more acute in direct proportion.

[1] Submitted with the note, which is in French.

You are no doubt aware of the strenuous measures which the powers have adopted in order to remedy as far as possible increasing reduction in tonnage. You are no doubt also aware that Great Britain alone who before the war imported 50,000,000 tons a year for the needs of her civilian population has reduced her annual imports to 30,000,000 tons including supplies for her munition factories. Similar restrictions have been put in force in France, Italy and Russia. Moreover in all the Allied countries the threat of requisition or the exercise of the right combined with export and import prohibitions except under license have enabled the authorities to exercise a strict control over overseas trade and to limit the use of merchant vessels to services directly connected with the needs of national defense. Great Britain, thanks to restrictive measures applied to her own trade, has been able to place 500 ships of large tonnage, and a great number of smaller ones, at the disposal of her Allies. Finally an Inter-Allied organization sitting in London regulates the exchange of commodities with a view to the common resources of the Allies in essential articles and ships being utilised to the best advantage; it also settles freight rates for neutral vessels and supervises contracts in order to prevent undue inflation of prices.

These measures supplemented by the purchase or the placing of contracts for ships abroad, especially in the United States, no longer suffice. Great Britain who has lost more than 600 large ships has been forced to demand the return of a considerable number of those which she had placed at the disposal of her Allies and is contemplating further action in this direction. In spite of all this the situation in the Allied countries is daily becoming graver. In Italy and in France there is a shortage of coal; last winter saw cruel suffering stoically borne; the reserve supplies of steel indispensable for the manufacture of munitions are giving out while there is a growing accumulation in the United States of supplies ordered for the execution of a carefully thought out military programme. France has nearly 700,000 tons awaiting shipment in this country and Russia more than 400,000.*

We consider it our duty to call the most serious attention of the United States Government to this situation. We realise that they desire to co-operate as closely as possible with the Allied Governments in the conduct of the war which is theirs no less than ours. In no question is the necessity of co-operation and of a close identity of aim more essential than in this question of oversea transport. We are aware that your Government has broad schemes under considera-

*If Italy has less stock on hand it is only because, since a few months, she has been obliged to place less orders, and this in a way most injuring to her military interests. [Footnote in the original.]

tion in this connection. We feel that their detailed execution will be made more easy if, on all points at issue, you were in full possession of information on the needs of the Allies, the necessities of the situation, and the remedial measures already taken; so that your plans may be carried out in complete accord with those of the Allies.

We realise from your previous communications how on all matters relating to the war you wish to secure in the highest degree a unity of purpose among the Allies. This unity has already been attained on questions of shipping, and the existence of the above-mentioned Inter-Allied Council is a proof of this. We believe we do no more than interpret the sentiment expressed in your letter of July 18[1] when instead of approaching you separately and individually with parallel representations we address you this collective note—a sign of the close solidarity and accord existing between us.

At a moment when the United States Government has just reorganized the Shipping Board and has entrusted its control to men of energy, well known alike for their high character and their professional experience, and has thus given proof of an intention to push forward energetically the execution of their naval programme, we would highly appreciate the opportunity of collective conferences with the new president of the Shipping Board; we could there discuss the various questions incidental to such relief to the Allied cause as you consider the United States merchant marine should afford.

We would prefer that these conferences should take place under your auspices, as a proof that the United States Government desire to promote this close co-operation. Moreover, we should be greatly pleased were a representative of the Department of State to take part in the discussions.

For while the programme of construction, the right of requisitioning, and the exercise of this right in such a manner as to secure the best possible use of the ships themselves, fall within the purview of the Shipping Board, it is within the province of the State Department to decide on questions of policy affecting neutral merchant fleets which in our opinion must equally form the subject of these discussions.

Hoping to be favoured with your reply, to which we attach the highest importance, at your earliest convenience, we beg you, Mr. Secretary of State, to receive the assurance of our high consideration.

Macchi di Cellere
Boris A. Bakhmeteff
Cecil Spring Rice
Northcliffe
André Tardieu

[1] See *ante*, p. 546.

Requisition, August 3, of Ships under Construction in American Yards—Representations of the British Government, Transmitted August 21, against the Requisition of Ships Building on British Orders; Reply of the Chairman of the Shipping Board, Transmitted September 7; Acceptance of the Measure by the British Government, October 26—Representations as to the Shipping Needs of France and Italy—Special Representations Regarding Oil Tanker Tonnage—Conflict between American and British Plans for Chartering Norwegian Ships [1]

File No. 411.57N83/27

Mr. Rublee of the United States Shipping Board to the Counselor for the Department of State (Polk)

WASHINGTON, *August 3, 1917.*

MY DEAR MR. POLK: The United States Shipping Board Emergency Fleet Corporation has decided to requisition at once all ships in process of construction in American yards, in order that their completion may be expedited.

It is not necessary now to determine what disposition shall finally be made of these ships. That is a question which will be decided later, and so far as ships being built for foreign governments or their citizens, after consultation with those governments.

I have been requested by the Emergency Fleet Corporation to ask you whether the State Department has any objection to the corporation proceeding at once to requisition the ships.

Respectfully yours,

GEORGE RUBLEE

File No. 411.57N83/26

The Vice Chairman of the United States Shipping Board (Stevens) to the Counselor for the Department of State (Polk)

WASHINGTON, *August 3, 1917.*

DEAR MR. POLK: The Shipping Board, as you are aware from Mr. Rublee, has directed the corporation to proceed at once to take over to the Government all merchant ships under construction in the steel shipyards, whether for foreign or American account. I notified to-day by telephone both the Norwegian Ambassador [*Minister*] and the English Ambassador. I explained that this action of the board would not affect the final disposition of ships that were building for foreign account or affect the determination of the rights of those who held contracts. Neither Ambassador protested against the proposed action. I see no difficulty myself in immediate action. Both Mr. Hurley and Admiral Capps, who have had little time to

[1] See also the section on Negotiations with Denmark, Norway, and Sweden concerning Exports and Shipping, Vol. II, p. 1015.

consider the subject, suggested that a statement from you that there were no international objections to such a course should be secured.

I have seen and examined with care the treaty with Norway and Sweden. It seems to me very clear that that treaty did not refer to ships under construction in this country. I hope very much that we may hear favorably from you to-day. I hope also that you do not feel that I am too insistent about this matter, but there has been so much delay in the commandeering program and it is so essential, that not a moment should be lost.

Sincerely,

R. B. STEVENS

The General Manager of the Emergency Fleet Corporation (Capps) to the Owners of American Shipyards[1]

[Telegram]

WASHINGTON, *August 3, 1917.*

By virtue of an act approved June 15, 1917, and authority delegated to Emergency Fleet Corporation by Executive Order of July 11, 1917, all power-driven cargo-carrying and passenger vessels above 2,500 tons dead-weight capacity under construction in your yards and materials, machinery, equipment and outfit thereto pertaining are hereby requisitioned by the United States and will be completed with all practicable dispatch. Letter follows.

W. L. CAPPS

File No. 411.57N83/27

The Acting Secretary of State to the Chairman of the Shipping Board (Hurley)

WASHINGTON, *August 4, 1917.*

MY DEAR MR. HURLEY: Replying to letters of Mr. Stevens and Mr. Rublee of August 3, asking to be advised whether the State Department has any objection to the Emergency Fleet Corporation proceeding "at once to requisition all ships in process of construction in American yards in order that their completion may be expedited," the final disposition of the ships to be determined later, and in so far as any ships are being built for foreign governments, citizens or subjects such disposition to be decided upon after consultation with those governments.

It was explained orally by Mr. Rublee that this inquiry referred only to merchant ships in course of construction (not launched) in the United States for private citizens or subjects (including any

[1] *The Official Bulletin*, Washington, Aug. 4, 1917 (Vol. 1, No. 73), p. 1.

vessels possibly commandeered or otherwise taken over by their Governments) of Great Britain, Norway, Colombia, and Argentina. Mr. Rublee stated that Colombia and Argentina had only one ship each in course of construction in American yards, and that if any objection to the taking over of these ships was raised, they might be entirely disregarded.

In reply I beg to advise you that upon an examination of the treaties between the United States and the countries mentioned which might have a bearing upon this subject and of the rules of international law and custom involved, the Department perceives no objection internationally to taking over the construction of the ships described merely for the purpose of expediting their completion, so long as the Government is willing to make just indemnification for any losses which might result from such action.

In reaching this conclusion I have taken into consideration the statement of Mr. Stevens that he yesterday notified the Norwegian Minister and the British Ambassador by telephone in regard to the proposed action of the board, and that neither protested against such action; and also the statement in Mr. Balfour's letter of May 23[1] last to Mr. Denman to the effect that if the United States Government informed the British Government that the speediest construction and putting in commission of the maximum number of ocean-going ships depended upon taking over, varying or cancelling any contract or contracts then placed by the British Government, his Government would not stand in the way, even if it were decided that these ships should be owned by the United States and fly the American flag. I have also not been unmindful that if the parties in interest should feel so disposed they might endeavor to raise legal difficulties over alleged government ownership, requisition, or other form of control over the ships laid down or the materials for their construction. These eventualities, however, may be met when they arise, and as they would not necessarily involve our international relations, I have not regarded them as sufficient grounds upon which to raise objection to the action contemplated by the board.

In this relation, I should add that the Norwegian Government has called the attention of this Government to its view that "just compensation" would not seem to comport with retaining a quarter of the admitted value of the ship pending final adjudication, and without any allowance for interest on the sum retained. The British Ambassador also transmitted a communication on the subject, dated July 25,[2] which was sent to the Shipping Board for its information on the first instant.

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[1] *Ante*, p. 598.
[2] *Ante*, p. 605.

Upon a formal notice from you that the board has decided to take the contemplated action, the Department will duly inform the diplomatic representatives concerned.

Sincerely yours,

FRANK L. POLK

File No. 841.85/31

The British Shipping Delegate (Royden) to the Chairman of the Shipping Board (Hurley)[1]

NOTE AS TO TONNAGE BUILDING IN THE NAME OF THE CUNARD STEAMSHIP CO., LTD., FOR THE BRITISH GOVERNMENT IN THE UNITED STATES

The British mercantile marine has lost through enemy attack over 4,000,000 tons of shipping during the war; the net loss after taking into account enemy prize and interned ships and new construction being two and one-fourth million tons.

The American mercantile marine, including prize and interned ships, has in the same period increased by one and three-fourths million tons.

The policy of the British Government in regard to vessels building in Great Britain for—

(*a*) Allies
(*b*) Neutrals

is to allow the former to take their vessels as soon as completed, and in the case of the latter to charter them from the owners at a remunerative rate for the duration of the war. In both cases the ships remain the property of the original owners.

On account of continued losses of tonnage through submarine attacks and the seriously reduced output of British shipbuilding yards owing to their activities being largely devoted to work for the Royal Navy, the British Government decided that they must look elsewhere for new construction. Some vessels were brought [*bought*] from Japanese shipbuilding, and others were contracted for with builders in the United States and Canada.

With regard to those purchased in the United States a considerable number were the property of Norwegian owners, the balance being new contracts.

The negotiations were conducted in the name of Cunard Steamship Co., as it was thought that there was a better chance of getting reasonable prices in this way than by direct action of the British Government.

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[1] Copy received from the Shipping Board in communication dated Aug. 17.

The British Government are quite willing that the Government of the United States should take entire control of the building of all their vessels in the United States yards, and will pay the additional cost, if any, of expediting their construction.

They are, however, most anxious that when completed the vessels should be handed over to them.

These ships will be largely employed in carrying cargo between American and British ports; it being the policy of the British Government to draw all supplies so far as they can be obtained there, from the United States.

To this end they have already withdrawn many vessels from trade with the British colonies and the East and sent them to load in the United States.

The vessels building for the British Government in the United States will be used solely in the interests of the Allied cause, and not to further private trade interests.

In drawing up their program of the future operations the British Government have relied on the possession and use of these vessels, and should this anticipation not be realized they will be very seriously embarrassed.

T. ROYDEN

WASHINGTON, *August 15, 1917.*

File No. 763.72/7107

The French High Commissioner (Tardieu) to the Secretary of State

MEMORANDUM CONCERNING THE AMERICAN NAVIGATION CORPORATION WHICH HAS BEEN PROPOSED TO THE SHIPPING BOARD BY THE HIGH COMMISSION OF THE FRENCH REPUBLIC IN THE UNITED STATES

I. NECESSITY FOR FRANCE TO SECURE SHIPS

1. The importation needs of France are increasing.

(*a*) For war materials, following the increase of artillery and of ammunition expenditure, which is an indispensable condition of an efficient prosecution of the war.

(*b*) For supplies, following the lack of foodstuffs, coal, oil, etc., which are all essential for the subsistence of the army and of the country.

(*c*) These importation needs will still exist after conclusion of peace.

2. The tonnage possibilities of France are decreasing.

(*a*) The French commercial fleet has been reduced from 2,000,000 tons to 1,500,000; if war goes on longer France will be left with only 1,000,000 tons of ships and of worn-out ships.

(*b*) Part of this fleet has been transferred from the commercial service to the navy (revictualling of the war fleet, transportation of sailors, of troops for the Orient army, coast defense, etc.).

3. France cannot build again the destroyed tonnage.

(*a*) Our shipbuilding plants have been manufacturing during the last three years only artillery and ammunition, that means working in the common interest of the Allies.

(*b*) Besides there is a lack of skilled labor on account of the general mobilization.

(*c*) And also all the ship plates on hand are being used for the manufacture of artillery implements.

4. The help in tonnage given to France by Great Britain is decreasing and is bound to stop.

(*a*) Her own needs have obliged Great Britain since the 1st of November 1916 to call back from France 500,000 tons.

(*b*) The British Government has advised us that their co-operation would still be reduced and finally be stopped.

(*c*) The British Government have declared that in the future France ought to call for the help of the American tonnage.

II. WHAT FRANCE HAS DONE TO SECURE TONNAGE IN THE UNITED STATES

1. For reasons stated above France has bought or ordered in the United States since May 1917:

	Tons
(*a*) For the Ministry of Supplies	2,228
(*b*) For war material transportation:	
Wooden ships	140,500
Steel ships	199,900
(*c*) For private corporations or individuals, but in view of transports of general interest (railroad companies, coal mines, etc.)	31,700
	374,328
Representing:	
Ships already afloat	23,000
Ships ordered	351,328

2. France has made for these purchases and orders a proposal which would not oppose the American interests.

(*a*) She does not claim any transfer of flags for these ships, either bought or ordered.

(*b*) She proposes that all these boats, bought or ordered shall be managed by an American corporation, under American flag.

(*c*) France will take no other financial participation in the above named corporation than it is authorized by the United States laws.

(*d*) These ships shall be managed under the close supervision of the United States Government.

(*e*) The set of incorporation or by-laws of the corporation shall state that all these ships are to be used only for war material transportation.

3. The proposal of the French Government cannot interfere with the American shipbuilding plan.

(*a*) The total tonnage in course of completion in the American shipbuilding plants represents to-day more than 3,000,000 tons.

(*b*) Out of these 3,000,000 tons, the orders placed by France represent only 300,000 tons, or 10 per cent.

(*c*) The purchases of ships already afloat represent only 23,000 tons, or less than the hundredth part of the American commercial sea-going fleet.

(*d*) Besides, the American shipbuilding plants are not working to their full capacity and every day the French High Commission receives new offers to build ships.

III. POLICY OF THE UNITED STATES GOVERNMENT

1. Without committing themselves positively, the United States Government have shown at first favourable disposition.

(*a*) The statement of the Shipping Board on May 18, 1917, said, "It is clear that in the exercise of such a war-power (to commandeer ships) the board would not commandeer ships already serving the war needs to the best advantage."

(*b*) In a letter of June 7, 1917 (concerning some special business), the State Department has officially transmitted and confirmed to the French High Commission the above declaration of the Shipping Board.

(*c*) And, of course, the High Commission has taken for granted that the above declaration, although concerning the ships afloat, was to be applied also to the ships ordered.

2. From conversations of recent date, it appears that to-day the Shipping Board opposes the proposals of the French Government.

(*a*) The Shipping Board declares that its only aim is the increase of American tonnage.

(*b*) And it declares also that it feels obliged to consider the purchases or orders of France just as the purchases and orders of Great Britain and Norway.

(*c*) It gives to understand that it might perhaps let the American corporation manage the wooden ships, but not the steel ships.

IV. STUDY OF THE ARGUMENTATION OF THE SHIPPING BOARD

1. It is not a fact that the French proposal should mean a reduction of the American tonnage.

(*a*) As regards ships afloat, the purchases, as explained above, only represent less than one-hundredth of the American commercial fleet.

(*b*) As regards ships under construction, the orders represent one-tenth of the whole of the ships under construction, and the plants are not working at their full capacity.

(*c*) Moreover, all the ships purchased or ordered will be under the American flag and under the supervision of the Government of the United States.

(*d*) As regards the utilization of the ships, they will be used for war transportation only and mostly between the United States and Europe. The slight diminution in the freight which, on that account, might have to be borne by the Government of the United States for their own transports, is, moreover but a consequence of the rationing which every belligerent is called upon to bear, so that the others should be able to get their essential necessities.

2. It is impossible to apply the same treatment to France as to England.

(*a*) England now owns 17,000,000 tons; France 1,500,000.

(*b*) England is now constructing 1,000,000 tons yearly; France nothing.

(*c*) England during the first three years of the war has purchased or ordered numerous ships in the United States. It is not the case of France.

(*d*) England when stating the grounds of her decision as regards the diminution already carried out, and the suppression already announced of the help given so far by her to France, invites the latter to apply to the United States.

(*e*) Therefore it is impossible to assimilate the two situations and to argue of the requisition of the Cunard orders, to justify the requisition of the French orders. The two cases are essentially different.

3. It is impossible to apply the same treatment to France as to Norway.

(*a*) Norway is a friendly country, but a neutral country. The United States being at war, cannot apply the same treatment to France and to a neutral country.

(*b*) They can do it all the less as the situation of France is exceptional that she has given maximum effort with a view to victory; that for nearly two years she has borne almost alone the burden of the fighting on the western front and that to this day she occupies almost three-fourths of that front against which the enemy has never ceased to direct his chief effort.

4. It would be impossible to establish an American corporation for the exploitation of wooden ships only.

(*a*) First of all in view of their limited life.

(*b*) In the second instance, by reason of their utilization which does not lend itself to transports between America and Europe, but only to the transport of coal between England and France.

5. Besides, the Shipping Board has not taken into account the period which will follow the conclusion of the peace.

(*a*) The needs of importation of France will remain very high during that period, and the resources in tonnage will be very low.

(*b*) At that time the existence of an American navigation corporation making its special object of the relations between France and the United States will be for the two republics a precious instrument of economic and political joint action.

V. CONCLUSION

To sum up:

1. The question is a vital one to France. If the request which the French Government has instructed the High Commissioner to make, is rejected, France will be unable to pursue the war with an undiminished power, and as the joint interest of the Allies is calling for.

2. The question has been examined by the Shipping Board from a technical and immediate point of view. It must be decided by the Government of the United States from a general point of view both military and political; from the point of view of the management of the war, of victory and of the future relations between France and the United States.

3. The High Commissioner takes the liberty of remarking that if the United States were now neutral, the organization which the French Government have asked him to propose, would be easy to realize. We cannot admit that the fraternity in arms so dear to the hearts of all French and American citizens should have as a consequence to make it impossible.

4. The organization proposed by the French Government will not reduce by a single ton the commercial fleet of the United States.

5. Invaded France has taken all necessary measures to supply the American Army with several hundreds of guns every month. She asks the United States to supply her with ships which she has not been able to secure so far, from this country, except in exceedingly small numbers: 22,700 tons of German ships and 18,000 tons of colliers of the United States Navy, for a single voyage.

ANDRÉ TARDIEU

[WASHINGTON,] *August 16, 1917.*
[*Received August 21.*]

File No. 195/92

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 21, 1917, 4 p. m.*
[*Received August 22, 8.50 a. m.*]

6993. I have received the following personal and private letter which I quote in full:

My dear Ambassador: When I was in the United States the question was raised as to whether the shipping under construction in American yards on British account should be taken over by the American Government or should remain in the ownership of the country for which it was being built. Mr. Denman, at that time head of the Shipping Board, raised this point in the course of a conference at which both he and General Goethals were present which the British Government had adopted: his line of argument being that British orders occupied all the yards in the United States, that American labor and American capital were absorbed in the construction of British shipping and that with their assistance Britain would find herself at the end of the war possessed of a great mercantile marine which the United States had built but did not own.

I took the liberty of pointing out to Mr. Denman in reply that in ordering these ships before America entered the war Great Britain took the only course open to her and one which, however the question of ownership was ultimately decided, must be to the advantage of all the powers fighting against Germany. It was of the first necessity that the whole of the world's resources in shipbuilding open to the Allies should be used in the construction of mercantile ships and as America was not then among the belligerents it was only by the British Government that the necessary arrangements could at that time be made with private owners of shipyards in the United States. I added that under no circumstances would the British Government enter into controversy with the State Department on the question of ownership and that we placed complete reliance upon the justice and goodwill of the authorities in Washington. To this policy we still adhere. If the United States Government after surveying all the circumstances of the case think the ships that we have ordered in their yards should belong to them we shall not think of making any protest nor are we of opinion that if the ships on completion are used in the war work of the Allies the question of ownership has any material bearing upon the conduct of the war. It may however be worth observing that if our own policy towards our Allies were taken as a precedent there would be no change of ownership in the case of the British ships now under construction in American yards. We always drew a sharp distinction between ships building for Allies in our yards and ships building for neutrals. The latter were brought under the British flag and retained in Allied services for the period of the war, work on the former was dealt with exactly as if the ships were being built for British owners and when finished they were handed over with-

out reserve to the country on whose account they had been ordered. There was as far as I can ascertain only one exception to this general practice and in this particular case satisfactory arrangements were made. From very nature of the case the largest losses in mercantile shipping have been borne by Great Britain. It is on Great Britain in the main that the Allies have relied for the maintenance of the seaborne traffic on which not merely their capacity for fighting but their very existence depends. It is on Great Britain that the full brunt of the submarine campaign has fallen. Our losses have been heavy and unless we obtain the ships now under construction for us in America we cannot easily tide over the critical period which must elapse before our own extended shipbuilding program bears its full fruit.

We should therefore feel much gratified if the United States Government thought it consistent with the claims of their own national interests to allow the ships now building for us in America to remain in their present ownership, though for the reasons given above we shall not press the point. We rely (as I said at Washington) on their justice and goodwill.

Yours sincerely,

Arthur James Balfour

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File No. 195/102

The Assistant Secretary of State (Phillips) to President Wilson

WASHINGTON, *September 5, 1917.*

MY DEAR MR. PRESIDENT: I had a talk this morning with Mr. Gillet, who is one of Mr. Tardieu's right-hand men, and explained fully your anxiety to help France in every possible way, that you were in close touch with the Shipping Board on the subject of Mr. Tardieu's memorandum,[1] and that I felt that there was nothing to be gained at the present moment by a further conference between you and Mr. Tardieu. I am sure that Mr. Tardieu will fully understand your position and will not urge for an interview at this time.

Mr. Gillet said that their real anxiety was for a decision on our part; that if there was a decision in the negative it would at least put them in a position to proceed on their own account. He expressed Mr. Tardieu's fear that there would be no decision one way or the other, and that this would give rise to a very embarrassing position for France in view of the extreme urgency for additional shipping.

With assurances of respect [etc.] WILLIAM PHILLIPS

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[1] *Ante*, p. 617.

File No. 195/93

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *September 7, 1917, 3 p. m.*

5388. Your 6993, August 21, 4 p. m. After giving very careful thought and consideration to Mr. Balfour's views the chairman of the Shipping Board has made following reply to Secretary of State, which represents the views of this Government:

It has not been with any view to national advantage, but with the single-minded purpose of waging the war successfully, that my own personal thought has been given to this matter. On account of the uncertainty of the amount of tonnage we may require for our troops in France, my views are that we must move slowly. Our line of communication to our troops in France extends over the Atlantic Ocean. It is our first duty, not only to ourselves but to the nations associated with the United States in the war against the German Government, to see to it that every precaution is taken to preserve these lines of communication.

The American Government will be held responsible for the maintenance of its own fighting forces in France. It must not only have adequate transport facilities for troops, but must always have at hand a sufficient number of ships for the movement of supplies for the maintenance of these troops, as well as for the needs of the nations associated with us. The responsibility for this vital war service falls upon us. We cannot shirk the responsibility, or share it.

If we could calculate the measure of destruction of merchant shipping by submarines in the future, we would have greater freedom of action in this matter, but as the future must be guessed, rather than gauged, it seems to me that we would assume grave risks in adopting any policy which would reduce our control of our own military and naval situation, without reducing our responsibility.

For your information, I will say that the steamship *War Sword* owned by the Cunard Line and now in San Francisco, which came under our commandeering order, has been turned over to the Cunard Company. This ship was ordered and paid for by the Cunard Company and I understand no money was due when the commandeering order went into effect and the ship was about ready to sail.

You will appreciate the uncertainty of our requirements on the other side at the present time, as well as in the future. We are figuring on sending thousands of tons of freight cars, locomotives, hospital trains, rails, ties, thousands of feet of lumber, and many other materials for construction of which it is impossible at the moment to gather complete data. In addition, the Army must be provided with transports, supplies for the Army, animals, munitions and food. For the sending of troops and supplies for our own men we can arrive at an approximation, but even this approximation is again made tentative by the degree of destructiveness in future submarine operations.

No one can predict with certainty or accuracy what demands will be made upon us in the future. The uncertainty of the entire situa-

tion is such that we should move cautiously with the thought always in mind of living up to our promises to our own people and to the nations associated with us. Our first thought, of course, must be for our own troops, and we must take every precaution to see that we are able to meet their requirements abundantly even at a time when we may have a million or two million men in France.

If we were to act hurriedly and turn over the tonnage to all foreign countries now in our yards, and later the submarine menace should increase, and thus decrease our present tonnage and proposed tonnage to a point where we could not supply our own soldiers, or even delay the sending of such supplies, we would be placed in the position of having failed to use the good judgment which the American people expect us to use. The very labor used in the construction of these ships would have right to complain that its work had not saved its brothers in the trenches from the disaster that would come from a failure of supplies.

In view of all the facts, it is my hope that the British Government will appreciate the seriousness of our position and realize that the transportation of troops 3,000 miles is a serious task; that our ships must sail 6,000 miles in order to carry a cargo; that this is the longest line of communication which any nation in war has ever been compelled to maintain; that while they have suffered severely by the submarine and we recognize the point of view set forth in all friendliness, our own necessities require us to move with caution and care. They may rest assured that the tonnage in our yards that we may from time to time take over, if conditions demand it, will be in the service of our Army in France, as well as in the services of the nations associated with us in the war.

The American people have been most generous in giving every branch of our Government unlimited powers not only in supplying our Government sufficient funds but in being ready and willing to continue financing our associates in the war. The American people, in turn, expect us to pay special attention to our soldiers who are to fight our battles thousands of miles from home, and any steps taken whereby these men are not first considered, to my mind, would meet with the general disapproval of the American people.

LANSING

File No. 195/114

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *September 29, 1917, 3 p. m.*
[*Received September 30, 11.30 a. m.*]

7291. The shortage of tonnage and the demand made on England for fuel and other supplies by our forces in France have created an urgent situation requiring the coordination of the United States and British Government. General Pershing requires from England very large quantities of supplies including 150,000 tons of coal per month after February 1; while the British are already so short of

steel and timber that they will not be able without assistance from the United States to render much help in maintaining our armies in Europe. The alternative would be a demand for ships to operate between the United States and Pershing's French bases, greater than the remaining mercantile sea-going tonnage of the world can supply. I am informed that Pershing has requisitioned in America 51,000 tons of American shipping and at least one Norwegian vessel. General Lassiter [1] here by requisitioning one American vessel and the assistance of Sims and British Admiralty, are [*is*] able temporarily to supply 30,000 tons monthly for coal and stores. Lassiter has under due authority arranged to charter several Norwegian steamers and this project has attracted the attention of the British Government which is understood to have made a proposal to Norway to mobilize by requisition all her deep-sea shipping and turn it over under Government charter to Great Britain. There are strong indications that this proposal is favorably considered by the Norwegian Government, which is of course dependent on British bunker coal for operation of its ships, and if the arrangement is made it will mean a preponderant portion of the remaining neutral shipping under control of the British Government, unless being entirely independent of the inter-Allied shipping pool we make some reciprocal arrangements with Great Britain. The effect of such Anglo-Norwegian project might prevent us from getting the shipping necessary for supplying our forces. If we bring all our coal and supplies from the United States and commandeer all available shipping there we may endanger the British needs. The English urgently need steel and timber; they require immediately about 50,000 tons of steel billets or plates and an unlimited amount of timber and they have asked us to ascertain whether they can secure from the United States during 1918, about 500,000 [tons] of steel and approximately 20,000,000 feet of timber. I am told that the French are also requiring large quantities of steel from the United States so that British dependence upon us would seem to be sufficiently defined to warrant the expectation of full reciprocity in apportioning steamship shipping under British control. All Allies' shipping except our own is controlled by an Inter-Allied Chartering Executive in London and allocated by it. Considerable friction is developing with France and Italy because of the limited accredited shipping placed at their disposal and they are openly charging the executive with so manipulating ships as to keep the control in British hands. We should therefore make some reciprocal arrangement with the British alone by which, if we withdraw

[1] Brig. Gen. William Lassiter, military attaché to the Embassy in Great Britain.

our own [plan] to charter Norwegian steamers, they will give us for cross-channel purposes at least an equal amount of shipping under their control or allocated to them. This procedure has been informally suggested here and it has been received with favor. It would therefore seem advisable that the United States Shipping Board and the State, War, and Navy Departments cooperate in formulating an immediate tonnage policy to be in direct contact with the British Admiralty but strictly to avoid adherence to the inter-Allied executive or any other tonnage pool. To assist such program I again urge that a responsible representative of the Shipping Board be sent to London and it seems necessary that the Embassy have the fullest detailed information concerning the Shipping Board program and its arrangements for requisitioning, insuring, and compensating owners of vessels. Lassiter informed me that Pershing has cabled to the War Department urging coordination in this matter.

There are in Spanish ports twenty-one Austrian steamers unable to sail on account of British blockade. A large American shipping interest incorporated in America has offered to purchase them outright with their own funds for a charter to this extent for army purposes, after transfer to the American flag. This operation would cost the company about $10,000,000 and would add 150,000 tons and place in our hands a most advantageous instrument in assuring full reciprocal arrangements with the British Government. The company's proposal has been referred informally to the British Ministry of Shipping and to the Foreign Office who intimate they have no objections. Negotiations will be started immediately and I will keep you informed of their progress.[1] Please instruct on whole shipping problem.

PAGE

File No. 195/126

The British Embassy to the Department of State

No. 356

REQUIREMENTS OF TANKER TONNAGE FOR OIL TRANSPORT TO UNITED KINGDOM

1. The subject of the requirements and transport of oil fuel for the British Navy, and other petroleum products for naval, military and munitions service has been engaging the attention of the British

[1] These negotiations were dropped at the instance of the United States Shipping Board, in favor of other negotiations for the same ships which were being carried on in its behalf and which ran over into the following year to an unsuccessful termination. Papers relating to these negotiations are not printed.

Government, who desire that the situation shall be brought to the notice of the United States Government and discussed by British representatives with the representatives of the American Administration.

2. So far as supplies of oil are concerned there appears to be no cause for anxiety so long as all existing sources of supply are maintained at their full producing capacity, but the problem of transport presents much greater difficulty.

3. The United States Navy Department has made arrangements for the supply and transport of the oil required for the United States ships of war in European waters, including the replacement of supplies temporarily withdrawn by those vessels from the British stocks. At the present time the British Government owing to the loss of tank steamers as well as the necessity of meeting the large tonnage requirements of France and Italy, has not been able to maintain the reserves of oil necessary for safety and has been obliged to restrict the actual movements of British ships of war.

4. The British Government is of opinion that it is desirable in the interest of all those associated with them in the war, to arrive at an improvement in this situation at the earliest possible moment in order that the British Fleet may resume the utmost activity of which it is capable in its many duties, including its large share in combating the submarine menace and in keeping the seas open for the transport of troops and supplies of its own Army and those of the Allies. With this in view, the representatives of the British Government have been in consultation with the chairman of the Petroleum Sub-Committee of the Council of National Defense to whom the British representatives are indebted for most cordial and valuable assistance.

5. The situation in regard to available tonnage has been exhaustively examined together with full particulars of the disposition and utilisation of British tonnage and the conclusion has been reached that more comprehensive action has become necessary in order to deal with a situation of great urgency and vital importance.

6. As the United States Government is aware, the British Government has taken control of the whole of the tonnage under the British flag and this control has been utilised to secure that every tank ship under the British flag is now being used either on the direct service of the armies, navies and munitions factories of the Allies, or upon other essential services, the supply of which is a matter of national importance to one or other of the countries associated with Great Britain in the war. No ship is allowed to be engaged upon any commercial trade which does not fall within those categories.

7. Beyond this, to secure the utmost economy, severe restrictions have been placed upon the consumption of all petroleum products in the United Kingdom, which, so far as these products are concerned, has now been placed upon a famine basis. The use of fuel oil has been discontinued wherever any other fuel could replace it; the use of gas oil has been drastically curtailed; the use of kerosene, even in the poorest homes where it is often the only available illuminant and domestic cooking fuel, has been greatly diminished; whilst in regard to gasoline, the supply has been strictly regulated by a specially constituted Government department and, amongst other restrictions, the issue of gasoline for use of automobiles for private purposes has been altogether prohibited.

8. The whole subject of the economical use and distribution of petroleum products in the Navy, Army and munitions services also receives the closest scrutiny from the Government departments concerned. Their demands for petroleum products are in turn scrutinised by a strong committee, constantly sitting and presided over by a British secretary of state who, having regard to the shortage of supplies, makes the necessary priority allocation in regard to those which have to be refused or greatly reduced for lack of tonnage to bring the supplies to the United Kingdom.

9. Supplies to British dependencies have also been reduced as far as safety and other considerations may permit.

10. The British Government is not proposing any relaxation of any of these restrictions although it realises of course the loss of efficiency involved, but it feels that a point has been reached at which no further reduction can take place and it is faced with an actual shortage of tonnage if it is to meet the necessities of the situation without withdrawing the tonnage which it has placed at the disposal of France and Italy at British requisitioned rates for the carriage of their petroleum requirements from America and elsewhere.

11. The British tanker tonnage directly and wholly appropriated to France and Italy amounts to an aggregate carrying capacity of some 80,000 tons and in addition many British ships are utilised from time to time for the carriage of petroleum products for the supply of the naval and military forces in those countries.

12. The British Government believes that its associates in the war will recognise the extreme undesirability of withdrawing from the service of France and Italy any of this tanker tonnage or any part of the large amount of other tonnage capable of conversion for oil transport and now engaged in supplying coal and other vitally necessary munitions to those countries.

13. The losses of British tanker tonnage have been large, amounting to upwards of 300,000 tons and a considerable loss of oil cargoes

has also taken place. But for these losses and the help in transport of all kinds rendered to the Allies, the British position as to tanker tonnage would have been secure without carrying restrictions of consumption to the extreme lengths referred to above. Further losses of tankers must be expected which, it is hoped however, may be met by vessels that are now being constructed to British orders in the United Kingdom and the United States.

14. Apart from these definite losses there are of course many circumstances attendant upon a state of war which reduce the aggregate carrying capacity of the existing fleet of tankers within a given period. Amongst these may be mentioned the loss of time through waiting for convoys, sheltering in harbour from known submarine dangers and deviation from the normal to less dangerous routes. All these factors contributed to cause the critical situation which has arisen.

15. As soon as the gravity of the position could be foreseen, the British Government was reluctantly obliged to give orders for fuel oil to be loaded in the double bottoms of ships proceeding to the United Kingdom from all ports at which fuel oil was obtainable. The general cargo-carrying capacity of the Allies as a result of submarine warfare had already been reduced to a totally inadequate figure and this further reduction of capacity for munitions and foodstuffs entails the most serious consequences, every ton of oil so carried shutting out a ton of munitions or wheat. This expedient can only be regarded as a temporary measure and should be terminated at the earliest possible moment.

16. The following extract from a cable recently received from the British Government shows how urgent a matter it is to reduce the use of double bottoms for oil carrying:

> Regarding double bottoms, it is vitally necessary United States Government should understand very serious loss to the carrying power of the Allies entailed thereby. We regard it as essential that every suitable ship should be fitted to carry fuel oil but actual conveyance by this method limited to sudden emergencies where tankers absolutely unobtainable. Cargo tonnage demands on Shipping Controller for winter notably for Italian coal are so grave as to make it imperative obtain every possible steamer for this purpose. Rely on you therefore to impress on United States Government urgent necessity for increasing in every possible way the tanker tonnage at disposal of Allies and so reducing double bottoms shipments.

17. A further step has been taken which, viewed broadly, can not accurately be described as an economy in tonnage; it consists in moving petroleum products from Gulf ports to North Atlantic ports

by American tankers and transporting them by the shorter route across the Atlantic from Northern ports by British tankers. To the extent that this shorter route is applied to products manufactured at refineries situated at the Northern ports it constitutes an economical use of tonnage, but when applied to products transported coastwise and trans-shipped, it involves a large loss of time by double handling and some deviation and is very uneconomical if the combined suitable tanker tonnage employed be considered as one whole. In this connection it should be borne in mind that the great bulk of the fuel oil supply originates in the Gulf States, the quantity at Northern refineries being relatively unimportant. American tanker owners have naturally been reluctant to charter their ships on voyages into the danger zone, although they have lately rendered some valuable assistance to the Allies in transatlantic transportation. If however the shortage of transatlantic tanker tonnage is to be overcome, it is apparent that Great Britain having come to the limit of her resources, a larger quantity of American tonnage must be employed in this essential work, and it is hoped that the United States Government may see the necessity of so directing American tonnage that it will assume a much larger share of the carriage of American oil from the United States to Europe.

18. In order to meet the tanker tonnage requirements of the British forces without withdrawing British ships from the Italian and French services on which they are engaged, it is estimated that it will be necessary to bring into Atlantic service approximately 100,000 tons gross of additional tanker tonnage. In addition to the above, a further quantity is most urgently required to transport the oil fuel at present carried in the double bottoms of cargo steamers referred to in clauses 15 and 16. This quantity is approximately 100,000 tons of oil per month.

19. In view of the consideration to which attention has been drawn in this memorandum, the United States Government will appreciate the grave anxiety felt by the British Government that the matter should be dealt with at the earliest possible moment, and it is hoped that the United States Government will see its way to meet the situation by requiring the necessary tonnage to be placed at its disposal with the least possible delay.

The United States Government will recognize the importance of placing the matter on such a footing that the Allied Governments may be relieved of their anxiety that the necessary activities and operations of their naval and military forces would be restricted for lack of vitally important supplies of petroleum products.

WASHINGTON, *October 4, 1917.*

[*Received October 11.*]

File No. 195/137

The Italian Ambassador (Macchi di Cellere) to the Secretary of State

WASHINGTON, *October 16, 1917.*
[*Received October 17.*]

MR. SECRETARY OF STATE: Recent and urgent representations of my Government in regard to the imperative needs of tonnage, force me to appeal to Your Excellency, in order to outline the situation confronting Italy as to the most pressing needs of food and war supplies.

The fact that the wheat crop has not attained the expectation and hopes of my Government, imposes on us—this year—the necessity to import monthly, henceforth, 145,000 tons above the average imported last year.

Moreover, as is already known to Your Excellency, the British Government, owing to the losses sustained up to the present, has been compelled to limit the tonnage allocated to Italy and to declare now, that they can not grant us any more steamers.

Hence, our duty above all else, being to provide food for our population, if immediate relief to our tonnage situation can not be given, we shall be compelled to curtail our imports of British coals, which, as Your Excellency is aware, are now made on a very limited scale and also to reduce to one-half the actual exports of steel from the United States, with grave injury to our war activities.

Your Excellency already knows that our shipping losses through the submarine campaign have been extremely heavy, as nearly about one-half of our transatlantic tonnage has been sunk.

Lately I have submitted to the Shipping Board a memorandum covering our needs in the matter of tonnage and notwithstanding the fact that we have not had tangible results, I have no doubt that it has been given favorable consideration. At that time, the Shipping Board had no means of providing assistance. Now, however, that the American tonnage fitted for transatlantic trade has been requisitioned and—if my reports are correct—that something is in view regarding the disposition of the neutral tonnage standing idle at American ports, I understand that there might be greater facility for the Government of the United States, to grant us such urgent and immediate aid as is demanded by the above mentioned facts.

To make my request more concrete I wish now to state that it is urgently required that a minimum of 100,000 tons monthly of American shipping shall be allocated to Italy for the transportation of wheat and steel and another 50,000 tons monthly for the transportation of coal.

Permit me to hope that the exposition of our situation, which, as Your Excellency has seen, is such that it might affect the most vital interest of Italy and its maximum war efficiency for the common cause, will find in you, strong and sympathetic support. Let me hope also that this earnest appeal that I have the honor to make to your Government in the name of mine, may be granted through your authoritative intervention.

I shall not fail to submit to the Shipping Board and to the Food Administration the data concerning our minimum requirements, but I trust also that taking into consideration the political importance of my request, which is self-evident, you will support and strongly recommend it to the prompt attention of the above said departments.

If Your Excellency will kindly give me assurance in this respect, I shall be deeply grateful because thus it would allow me to assure my Government, which is anxiously waiting my reply.

Meanwhile, thanking you in advance, I have [etc.]

MACCHI DI CELLERE

File No. 195/136

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *October 26, 1917, 4 p. m.*
[*Received October 27, 2.20 p. m.*]

7538. Mr. Balfour has just handed me the following *aide mémoire:*

His Majesty's Government accept without question the decision of the United States Government to requisition all vessels building in American shipbuilding yards, including those building to British orders.

It may be convenient to repeat the British position in regard to these vessels. The orders were placed early in this year as soon as the commencement of the intensive submarine campaign made it obvious that the shortage of tonnage available for war services would be one of the most important factors in the war. This action was taken before America entered the war and was discontinued as soon as there was any indication that continued purchases might embarrass the future action of the Government of the United States. His Majesty's Government have been only anxious to maintain as far as possible the number of vessels available for war services and they have throughout made it clear that they would acquiesce without protest in whatever decision the United States Government took in the matter. His Majesty's Government recognize that the early advent of an American army is an advantage for which many risks must be accepted. The fact that the requirement of the United States for military transport will exceed previous expectations raises, however, certain very serious considerations to which His Majesty's Government venture to call the attention of the United States Govern-

ment. The British ships available already fall short of the essential needs of the Allies for food and supply and His Majesty's Government had hoped to make good part of the deficiency with vessels building in America. The transfer of these vessels from the British to the American Government does not materially affect the position except that it transfers from His Majesty's Government to the Government of the United States the power to help France and Italy. On the other hand the diversion of tonnage from supply to transport will greatly increase the demands which the Allies will necessarily make upon the United States Government. There is every indication that through comparatively poor harvests, etc., the Allies' needs will be greater rather than less and His Majesty's Government fear, therefore, that these demands can not be postponed or ignored without grave military risk. As regards oil tankers building to British Government order it is earnestly hoped that these will not be requisitioned in view of the very great difficulty which the British Admiralty is experiencing in supplying oil for British needs and for the other allies. These vessels are intended for the supply of oil fuel for the use of the British Fleet and their possession has been reckoned on in all the calculations which have been made of the quantities which can be imported in future months in British tank steamers. Their withdrawal would, therefore, correspondingly increase British deficiencies and create a most serious situation.

In conversation Mr. Balfour pointed out that the American requisition of ships building for British in the United States necessarily transferred the obligation from Great Britain to the United States to supply Italy and France with certain material and food. He said, "I do not mean any technical obligations, of course, but we shall no longer have the shipping power to give them the help that we should otherwise have given."

Mr. Balfour then gave me the following memorandum from the Controller of Shipping:

As an illustration of the extreme gravity of the food situation in Italy the Shipping Controller stated to-day that the Italians had ordered direct from Europe to America 20 vessels which it had been arranged should load iron ore from Spain to the United Kingdom. The failure of these vessels to transport 100,000 tons of iron ore will deprive us of 100,000 tons of steel which with lower-grade ore and scrap iron could be made thereof and which in turn will make 200,000 tons gross of shipping. On this subject of steel, which is the neck of the bottle in the production of merchant tonnage in the United Kingdom, it has been reported recently to us that it might be possible for the United States to let us have considerable quantities of steel slabs or steel plates without interference with their shipbuilding program. It was suggested however that the Americans hesitated to send this steel to us because they doubted the energy we were putting into our merchant shipping construction and thought that we were wasting our resources of steel in other directions. An increase in the steel supply from America is of the utmost importance and if any

such misconception as I have indicated above exists it should not be difficult for us to show Mr. Page or anyone he appoints what is the true position.

The rumor that our Government doubts whether the British are doing their utmost in merchant shipbuilding has for some time been current here. The Ministry of Shipping have informed me that they are held back only by lack of material. I shall now on my own account ask the Controller of Shipping to make good his promise in the last sentence of his memorandum.

PAGE

Shipping Negotiations in Connection with the Inter-Allied Conference[1]—Understanding for an Equal Division of Chartered Neutral Tonnage between Great Britain and the United States—Projects for the Coordination of Shipping Policy

File No. 103.95/111a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 9, 1917, 8 p. m.*

5765. For Bainbridge Colby from Hurley:

Confer with Lane about neutral tonnage situation. He will call on you. Great Britain evidently trying shift all neutral tonnage to other side so as to have under their control leaving us in serious situation here for lack of tonnage to take care of our own needs. Our proposition to authorities here has been to equally divide Norwegian tonnage, after deducting Norwegian necessary trades, to [*between*] England and United States. Cable freely.

LANSING

File No. 659.119/119a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 13, 1917, 6 p. m.*

5795. For Vance McCormick from War Trade Board:

6. We request prompt answer Denmark. Hope you will agree with our views as to closing here. Polk agrees with us that prompt closing Denmark here important unless you have controlling reasons to contrary. Munson's[2] figures on shipping situation show in-

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[1] See also the report of the representative of the Shipping Board, *ante*, p. 409.

[2] Frank C. Munson, representative of the Shipping Board on the War Trade Board.

creasing shortage here and very evident England trying force all Norwegian shipping to other side so as to be under her control. Importance of this understanding between Great Britain and us here before any other negotiation is fully agreed upon by all members of board. Failing this shipping shortage is going to leave us without sufficient tonnage to transport food supplies, nitrate, wool, manganese, and other necessities. Administration officials ready to take strong stand here with England on basis of 50–50 Norwegian and other tonnage. Consider this of paramount importance to settle first. Ask Taylor take up question English furnishing French cyanide needs permitting our supplying Mexico, Central America and other places saving tonnage.

LANSING

File No. 103.96/84

The Special Representative of the War Trade Board (McCormick) to the Secretary of State

[Telegram]

LONDON, *November 15, 1917, 6 p. m.*
[*Received November 16, 2.10 a. m.*]

For War Trade Board:

Our 2. Your 6 received. See our 1, November 14, 1 p. m., concerning Denmark.[1] Important you should understand situation regarding neutral shipping as disclosed here. Colby advises me that England, negotiating directly with association of Norwegian ship owners, has agreement whereby in consideration of the monthly export to Norway of 250,000 tons of coal and coke, 200,000 tons of Norwegian shipping are to be placed in the coal trade between England, France, and Italy. The remainder of the Norwegian shipping, with exception of reservation of amount necessary for Norway's urgent needs, is being chartered as prior charters expire to Inter-Allied Chartering Committee, rates ranging from 35 to 52 shillings, to engage in such trades as England may approve without restriction against war-zone trade. Intention of England is, so far as possible, to substitute Norwegian shipping for her own now engaged in trading outside war zone and release equivalent British tonnage for Allied service. The only way we can reconcile the British agreement and your negotiations is that the former is with ship owners' association and the latter with Norwegian Government. I am very firmly convinced that tonnage negotiations should not delay proposal to be forwarded Schmedeman, per my cable 7670, November 11, 2 p. m.,[2] which I understand he has not yet received and negotiations

[1] Vol. II, p. 1064.

[2] Vol. II, p. 1059.

therefore seriously delayed. Colby states that England accepts following propositions: all neutral tonnage to be used without regard to whether England or America is charterer for mutual war purposes; all trading to be repressed that conflicts with most efficient use all tonnage for war purposes; whatever vessels, whether British or neutral, available for general cargoes to be divided between English and American merchants wherever situated, share and share alike; and equality of ocean freight rates to be accorded British and American merchants in whatever country situated. Colby has criticised proposed English arrangements with reference to neutral tonnage that contain any conditions exempting such tonnage from trading in war zone. English willing to revise or reconsider any existing agreements and observe our wishes with relation thereto, but they believe the Norwegian arrangements advantageous to both themselves and us, and that anything we could gain by direct negotiation is already secured in the existing understandings between England and Norway, plus attitude of England toward us with reference to the employment of Norwegian shipping in our mutual service.

Colby and I have had to-day conference with Cecil and representatives of French and Italian Governments and it seems general opinion, subject to the approval of respective Governments, the time has been reached to consider seriously requisition progressively and as required, at least, Dutch tonnage wherever situated.

McCormick

File No. 103.95/124

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

Washington, *November 17, 1917, 4 p. m.*

5840. For Bainbridge Colby:

For your information the Shipping Board have gone carefully into the petroleum and tank steamer tonnage situation with the Petroleum Committee and are convinced, after mature consideration that in order to meet existing conditions an entire readjustment with respect to the employment of tank steamers must be immediately made. Only 30 per cent of the total British tanker tonnage now being engaged in the direct war service between the United States and England. The Shipping Board have therefore laid down the following policy:

In view of the great scarcity of tank steamer tonnage, the constantly increasing demands for petroleum products by all the Allied

Governments and the prospective maximum requirements of the Army and Navy of the United States, the Shipping Board feels that it is imperative that—

(1) These requirements be supplied from the nearest source so as to reduce the length of all voyages to the absolute minimum.

(2) In view of the representations which have been made as to the immediate necessities of building up stocks all British tankers arriving at ports in the United States or France during the next 90 days make at least one voyage to the United States and return loaded with petroleum products. This will make protection against the future certain. Policy ends.

In pursuance of this program, L. I. Thomas, representing the Shipping Board, and Commander Foley will proceed at once to London to determine the exact British situation, bringing documents and data for your information. They will report to you on arrival. If after their arrival you should feel that it is desirable that one or more members of the Petroleum Committee should go to London to further explain the American tonnage and petroleum situation so that the British Government may realize and understand that the policy now adopted by the Shipping Board is the only one which will result in assuring the supplies necessary to meet the requirements of the Allied Governments and the United States, kindly cable us and we will so arrange. Hurley, Chairman, Shipping Board.

POLK

File No. 103.96/89b

The Acting Secretary of State to the Ambassador in Great Britain
(*Page*)

[Telegram]

WASHINGTON, *November 17, 1917, 5 p. m.*

5841. For McCormick from Jones:

Our 9. Your 2 received. England's agreement with Norwegian shipowners is tentative, and according to English here has never been signed. To complete it, England must have our cooperation and agreement to give bunkers under their direction. England by securing additional Norwegian tonnage has re-established sailings of Blue Funnel Line from United States Pacific to Far East with British vessels. Our proposition divide 50–50 all Norwegian tonnage would be by agreement with England to complete their tentative arrangement and enable them enforce same with Norway. Above divide was after allowing for Norway's necessary trades. If England is to continue to dominate the tonnage situation of the world by securing control of Norway, which is largest owner of tonnage

under consideration, consequences probably serious for our country and prosecution of the war, as when they allot tonnage to us for the carriage of our necessary supplies on this side, we will undoubtedly not receive enough judging by the experience of France and Italy. We are constantly sending increasing number of American vessels France and Italy crippling our carrying capacity here of war necessities and only way replace them is by securing those of northern neutrals. Feel sure if arrangement as proposed is accepted by England, it will make for greater confidence on all sides and assure a working out of the tonnage and food and munition problems of the war more efficiently and satisfactorily. Situation already very serious. POLK

File No. 411.57N83/106

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

WASHINGTON, *November 24, 1917.*

MY DEAR POLK: Here is the draft of the telegram I propose to send. Let me know whether you agree.

Yours very sincerely,

RICHARD CRAWFORD

[Enclosure—Draft telegram]

The British Embassy at Washington to the Foreign Office

WASHINGTON, *November 24, 1917.*

We have discussed the question of Norwegian shipping with Shipping Board and State Department. They represented on behalf of the United States Government that in their opinion there should be equal division of the control and distribution of the tonnage between the United States and His Majesty's Government. In order to give effect to these representations as far as possible under existing conditions we have agreed to submit a draft understanding on the following lines for your approval.

1. Ships on time charter to United States citizens and ships operating between the United States and South America on the Caribbean to be taken on time charter by the United States Shipping Board.
2. Ships on charter to British subjects to remain at the disposal of the British Government.
3. Ships now in the service of France and Italy to be reallocated to such service on the expiry of their present engagements if the war situation so requires.

4. Any balance over and above the ships retained by Norway for her own requirements to be allocated to war services as may be agreed between the I[nter]-A[llied] C[hartering] E[xecutive] and the United States Shipping Board.

For all the above purposes Great Britain and the United States shall have an equal voice in all decisions relating to employment of ships, without prejudice to the rights of France and Italy. For this purpose the United States Government will appoint a representative to attend all meetings of the I.A.C.E. in London and the British Government will maintain a representative at Washington for purposes of consultation with the United States Shipping Board.

The general principles laid down in your telegram No. — are accepted as a basis for these decisions subject to such modification in form as may be hereafter agreed.

Royden and we agree that the above is the most satisfactory arrangement that can be made in all the circumstances and we hope that you will see your way to inform us by telegraph of your approval.

[For a statement in the War Trade Board's letter to the Danish Minister, November 27, 1917, which "was written after long consultation with the British and French representatives here and has their approval," that, after providing for various allocations of Danish tonnage, "any surplus shall be divided half and half between the United States and Great Britain," see Volume II, page 1074.

For a statement by the Commercial Adviser of the British Embassy, received November 30, 1917, that his Government's policy was "Swedish tonnage to be obtained as in the case of Denmark, to be shared on an equal basis by the I[nter]-A[llied] C[hartering] E[xecutive] and the Shipping Board," see Volume II, page 1078.]

File No. 103.95/139

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 1, 1917.*
[*Received December 2, 9 p. m.*]

For Hurley from Colby:

In view of understanding reached with England regarding equal division of Norwegian tonnage suggest you permit vessels loaded for Allied ports to proceed. The adjustment of tonnage between England and ourselves will take some time and will be worked out in due course. To hold up the voyages of ships laden with supplies for the Allies would be hardly justifiable even if we had not made the agreement. In view of understanding, holding of ships might

be construed as a rejection of the terms of agreement providing for equal division of tonnage. Please cable on this point so I can answer British complaint. The ships referred to are mentioned in telegram of British Foreign Office to Washington Embassy of recent date.

SHARP

File No. 411.57N83/105

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

WASHINGTON, *December 1, 1917.*
[*Received December 4.*]

DEAR MR. COUNSELLOR: The question of the validity of our Norwegian Tonnage Agreement has so often been alluded to in our conversations, that I think you will be interested in the following information:

You will remember telling me of the frequent statements of Doctor Nansen that this agreement did not definitely tie the hands of the Norwegian Government. I did not like to pass this information on to the Foreign Office for fear that any recriminations between ourselves and the Norwegian Government might prejudice your negotiations here, but, just before he left, Mr. Meling, the shipping representative on Doctor Nansen's mission, made a similar statement to the Embassy in a very categorical way. I then felt justified in informing the Foreign Office of the statements made by Doctor Nansen's mission and the Foreign Office instructed the British Minister in Christiania to enquire of the Norwegian Government whether these statements were authorized.

On receiving these enquiries, the Norwegian Minister of Foreign Affairs categorically denied to Sir M. Findlay [1] any knowledge of such statements and said that he could not understand how they could possibly have been made. He stated that he regarded the tonnage agreement as a contract binding both sides.

This definite admission will, I hope, now finally dispel any doubt that may have arisen.

Believe me [etc.] RICHARD CRAWFORD

File No. 103.9502/16

The British Ambassador (Spring Rice) to the Secretary of State

No. 563 WASHINGTON, *December 3, 1917.*
[*Received December 5.*]

SIR: The delegates of your Government now in Europe held a number of detailed discussions with the Government in London

[1] British Minister to Norway.

in regard to the control of tonnage. These conferences resulted in the drawing up of certain resolutions which have since been very fully considered by the British War Cabinet and have now been approved by them.

I have the honour, under instructions from my Government, to communicate these resolutions to you and to invite the assent of the Government of the United States to them.

A. Control and Allocation of Tonnage Available to the Allies

1. The committee are not in favour of creating an international executive committee to control and allocate all the shipping available to the Allies.

2. The committee are in favour of the appointment of a British representative of the Ministry of Shipping who should go to America to act in an advisory capacity and the similar appointment of an American representative of the United States Shipping Board who should come to London to act in a similar capacity.

3. Each Government, i. e., British and American, should decide on its own responsibility whether it desires to invite similar representatives from the other allies to constitute an advisory committee in each country.

4. The United States and France and Italy and Great Britain should all tabulate to each other a statement showing in detail and as nearly as possible in the same form each class of requirements for which tonnage is needed, and secondly, tonnage now available and likely to be available in future through new building, etc. These requirements, having been classified (showing the source of supply, etc.) and having been adjusted so as—

(*a*) To secure a reasonably uniform standard adequate both as between classes of commodities and as between countries, and

(*b*) To bring the total within the carrying capacity of the Allies as a whole,

would form the basis on which the general allocation of tonnage would be determined. The calculation would be revised at convenient intervals in the light of losses, new building, war requirements and other factors in the problem; but it would be an essential feature of the scheme that, subject to such periodic re-allocation, each nation should manage and supervise the tonnage under its control.

B. Use of Neutral Tonnage

1. The United States, France, Italy and Great Britain should agree that neutral and interned tonnage obtainable through any other channel and by whatever country should be used in such a way as to increase by an equal extent tonnage in direct war services, the extra tonnage being allotted so far as practicable to the most urgent war need of any of the Allies. The method of allocation must be worked out later and it is important that the principle

should be recognised that it is the urgency of war needs and not the method by which the tonnage has been obtained that should be the criterion.

2. Steps should be taken to bring into war service all possible further tonnage such as in South America, etc.

3. Control of cargoes carried to be such that they satisfy the most urgent war needs in respect of the sea tonnage allotted.

4. Dutch tonnage. The committee express the hope that the United States Government will seriously consider the possibility of requisitioning the Dutch vessels now sheltering in American harbours.

I am instructed by my Government to express the hope that the United States Government may be able to return an early reply to these proposals.

I have [etc.] CECIL SPRING RICE

File No. 658.119/114a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *December 5, 1917, 5 p. m.*

5959. For Colby from Munson:

Your cable 1st. See ours McCormick about Denmark.[1] As regards Norwegian tonnage as soon as proposed basis of understanding was reached all Norwegian tonnage was released. Cable with full basis was forwarded by British Embassy on November 25. No reply confirming arrangement has yet been received. In the meantime England making every effort to divert Norwegian tonnage to the other side in order to keep under their control. This reduces amount that will be under our control. We urge confirmation agreement by Great Britain without delay.

LANSING

File No. 763.72/8202

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

WASHINGTON, *December 11, 1917.*
[*Received December 13.*]

MY DEAR MR. COUNSELLOR: I am sending you herewith an official note embodying a resolution arrived at in London with regard to the division and employment of Norwegian tonnage.[2] You will see

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[1] *Ante*, p. 635.
[2] Official note, No. 591, follows.

that this proposal is different from the scheme which we had arrived at in our conversations with you, Mr. Hurley and Mr. Munson. I do not think the differences are very material and, as you will remember, the provisions in our scheme for close consultation with British representatives at Washington and American representatives in London are covered already by the general scheme outlined in the Ambassador's official note of December 3. It would, no doubt, have led to a speedier arrangement between us if my Government had felt able to agree to our scheme, but the proposal in the enclosed official note was arrived at previously in consultation between two members of the War Cabinet, the Shipping Controller and the Minister of Blockade on the one hand, and Messrs. Colby, McCormick, Perkins and Doctor Taylor on the other and my Government feels that before discarding it the two alternatives should be discussed with Colonel House and his colleagues, who are now on their way home. This is the upshot of detailed telegraphic correspondence between ourselves and the Foreign Office during the past fortnight and I think that you will agree that the attitude assumed by the Foreign Office is reasonable.

Unfortunately, daily difficulties are still being encountered in the clearance from United States ports of ships loaded with supplies for France and Italy and the consequent disorganization in Allied transport arrangements is assuming dimensions which we cannot but regard as dangerous. The direct interest of the British Government in these transport arrangements is not great but that of Italy and France is very great indeed, and I trust that, in face of the definite declaration, contained in the enclosed official note, that the British Government is willing to divide Norwegian tonnage equally with the United States after certain deductions not widely different from those proposed in our scheme, there will be no further attempt on the part of the United States authorities to attach conditions to the sailings of ships in the Allied service, these ships being already covered by an official declaration of the British Government more weighty than the individual guarantees which have, I think unfortunately, been demanded in the past and are still being demanded.

Believe me [etc.] RICHARD CRAWFORD

File No. 763.72/8157

The British Ambassador (Spring Rice) to the Secretary of State

No. 591 WASHINGTON, *December 11, 1917.*
[*Received December 13.*]

SIR: With reference to the note, No. 563, which I had the honour to address to you on the 3d instant embodying the resolutions ar-

rived at in the discussions between the War Cabinet in London and the delegates of your Government, I have the honour to inform you that the following additional resolution was agreed on at this conference.

NORWEGIAN TONNAGE

After deducting the amount required for Norwegian exports and imports and for agreed exchanges in connection with the supply of coal to Norway, as well as the amount allocated to the Allies prior to the Norwegian Tonnage Agreement, the remainder should be divided equally between the United States and Great Britain, on the understanding that the principles laid down in paragraph B1 of the resolutions communicated in my above mentioned note will be applied by both Governments to the employment of the Norwegian ships controlled by them.

I am instructed by my Government to invite the assent of the Government of the United States to this proposal.

I have [etc.] CECIL SPRING RICE

File No. 658.119/132

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *December 16, 1917, 1 p. m.*
[*Received 6 p. m.*]

7983. Following for Polk from Gunther:[1]

Swedish negotiations are proceeding slowly. Conference endeavoring to elicit recognition of principles governing negotiations before going into details. It will probably be possible to report definite progress in a day or two.

Our information in regard to Swedish tonnage coincides with that of the British, to wit: 1,200,000 tons carrying capacity or 740,000 net. Under the latter heading 440,000 are at present idle. It would be helpful if we were promptly informed of the wishes of Shipping Board in this connection and whether an arrangement to divide with British 50-50 is preferred to allocation *in toto* to Inter-Allied Chartering Executive in the event of successful negotiations. The wishes of the French in this regard should be borne in mind. They protest on principle against exclusive Anglo-American division.

Future attitude of Swedish delegates and other considerations will influence choice of bartering individual concessions against equivalent tonnage as against asking for a lump sum.

PAGE

[1] Franklin M. Gunther, Secretary of the Embassy in Great Britain.

File No. 763.72/8181

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *December 15, 1917, 11 a. m.*
[*Received December 17, 6.20 a. m.*]

2900. For the President:

This afternoon Mr. Clemenceau, President of the Council, telephoned asking if I could meet him on a most important matter. On seeing him he handed to me to read the following communication expressing a very earnest desire that I at once cable the same to you. This I promised to do and to follow the same line by cabling you to the Department the chief points set out in the statement to which he refers:

From President of Council Clemenceau to President Wilson concerning gasoline supply of France: Just at the critical moment of the war, when the year 1918 will begin in the midst of military operations, of great magnitude and of crucial importance, on our front, the armies of France must never be exposed to run short of gasoline which is necessary for the motor lorries, for the field artillery with tractors and for aviation.

The shortage of gasoline would cause the sudden paralysis of our armies and drive us all into an unacceptable peace.

Now, the stock gasoline which has been fixed by the French Commander in Chief as a minimum amounts to 44,000 tons and the monthly consumption of the French armies alone average to 30,000 tons.

To-day, 15th December, he said that stock has fallen down to 28,000 tons and should exceptional measures not be taken at once by the Government of the United States, it will very likely fall to nothing in a short period of about two months.

These measures may and must be taken without a single day's delay for the common safeguard of the Allies. The only thing is that President Wilson should obtain from the American oil companies the extra 100,000 tons of tank steamers which are necessary to France for the supply of her armies and people and which must be put at her disposal for the direction of the war.

These tank steamers exist, some are plying in the Pacific Ocean instead of sailing in the Atlantic, others can be provided from the new fleet of tankers which is now being built in the United States.

Therefore, President Clemenceau asks President Wilson personally to act with authority of head of the Government for the immediate sailing for the French ports of said 100,000 extra tons of tankers.

There is for the Allies a question of public salvation. If they are determined not to lose the war, the fighting France must, by the hour of supreme Germanic blow, have large supplies of gasoline which is, in the battle of to-morrow, as necessary as blood.

Knowing something of the grave concern with which everybody in France looks upon the military situation for the ensuing few weeks and being familiar with the drastic regulations which are being made to conserve the gasoline supply throughout France I am sure that Mr. Clemenceau does not overstate the seriousness of the situation.

As a suggestion of some possible value may it not be feasible for a larger number of the smaller boats sailing on the Great Lakes to be sent through the Canal for the ocean-carrying trade in this particular service. Lake navigation has now closed and will not be resumed for several months. SHARP

File No. 195/166

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

No. 619 WASHINGTON, *December 17, 1917.*
[*Received December 18.*]

DEAR MR. COUNSELLOR: We are informed by the Foreign Office that a memorandum in the following sense was communicated to Mr. Colby in London:

1. Total world tonnage now available for ocean-going trade is approximately 45,000,000 tons dead-weight; about one-half British; of the remainder about three-fifths Allied and two-fifths neutral.

It is estimated that world building can overtake losses if United States can build 9,000,000 tons dead-weight a year.

2. Great Britain has now about 23,000,000 tons dead-weight ocean-going shipping of which 3,000,000 tons are allocated to Allies.

We are endeavouring to allocate a further 750,000 tons to France and Italy, but this can only be done at the most serious cost to this country. Even if it were not given British imports next year would be reduced to about 28,000,000 tons as compared with about 34,000,000 this year. But by drastic reduction of imports and ruthless sacrifice of commercial interests we hope to carry on the present and future assistance to our Allies.

3. Even this assistance will not meet essential requirements of France and Italy. We hope that the United States will aim at providing for an average continuous employment for France and Italy of not less than one and three-quarter million tons dead-weight excluding oilers of which 500,000 tons should be provided immediately and the remainder as United States shipbuilding programme develops.

4. As regards tankers we have not sufficient tonnage to meet our vital requirements and the United States have been asked to provide us at once with 100,000 tons dead-weight and a further 200,000 tons as soon as possible.

5. In suggesting the above to the United States, present and prospective ocean-going tonnage at the United States' disposal and her own military requirements for tonnage have been carefully considered. On the assumption that Mr. Colby's estimated programme of 5,000,000 tons could be carried out next year we estimate that the United States should be able to provide the Allies with assistance suggested and to transport and maintain in France by the end of 1918 an army of 1,000,000 men.

We are to point out that the above estimates were accepted by the Allied shipping representatives at the recent Paris conference.

The shipping position as there presented by British representatives was based on the assumption that the United States shipbuilding programme would provide at least 5,000,000 tons dead-weight next year and in the hope that this could be increased to 9,000,000 tons per annum. A reduction upon even the smaller figure would be bound to have most serious effects upon the prosecution of the war in the near future.

We are accordingly instructed to beg you to impress upon the authorities concerned the urgent necessity of taking all steps required for the completion of the above programme.

My Government regard it as of the highest importance that they should be informed at the earliest possible moment as to the amount of tonnage that the United States can be relied upon to provide as this is an absolutely vital factor in the Allied shipping programme.

Believe me [etc.] RICHARD CRAWFORD

File No. 195/167

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

WASHINGTON, *December 14, 1917.*
[*Received December 19.*]

MY DEAR MR. POLK: We have received a cable from London with regard to the urgent necessity of providing further tanker tonnage for the carriage of oil supplies between the United States and Great Britain. It appears that, owing to the very critical tonnage position for general cargo which will exist next month, the proposal has been made to stop the carriage of double-bottom loads of oil during January, in order that cereals may be loaded instead. This procedure will apparently have to be adopted in order to avoid a most critical situation in Great Britain in regard to the cereal supplies, but its effect on the oil supplies would be correspondingly serious, and the British Government contemplate with the most serious misgivings

such a depletion of the Admiralty reserves of fuel oil, unless it should be possible for the United States Government to find, for immediate use, the extra tanker tonnage asked for. On this point the following conclusion was reached by the Inter-Allied Conference in Paris, at which Colonel House, Mr. McCormick and Mr. Colby were present:[1]

After a review of the present tonnage position and of the efforts being made by the European Allies it was agreed unanimously by the representatives of the United States, Great Britain, Italy and France that the annexed statement should be, in the name of the Inter-Allied Conference, presented to the United States Government as representing the claim which the situation makes upon America so far as regards her participation in the solution of the tonnage problem.

The annexed statement,[1] to which reference is made above, includes the following passage:

Britain, in promising further assistance to the Allies to meet their increased cereal demands has done so in the hope that America will help with additional tank tonnage to the extent of rendering unnecessary the further uneconomical use of double bottoms in British cargo vessels for oil fuel for the Navy (100,000 tons a month). It is hoped that America will take steps to provide sufficient tank tonnage for this purpose and to meet the deficit in stocks by requisitioning tankers from their present commercial employment, 100,000 tons dead-weight being immediately required and a further 200,000 as soon as possible.

The document containing the above passage was handed by the Prime Ministers of France, Italy and Great Britain to Colonel House as an agreed statement by the shipping representatives of France, Italy, Great Britain and the United States, and copies are, I understand, now on their way to this country by mail.

It will be realised that, in order that the necessary arrangements may be made for cereal shipments and for required diversions of shipping, the British authorities need confirmation that the United States authorities will agree to execute the Paris agreement to its full extent, and that they will provide 100,000 tons dead-weight tank steamships for January loading, an amount which would approximately equal the amount shut out owing to the necessity, mentioned above, for stopping the double-bottom loads. It is most desirable, if it can possibly be so arranged, that definite confirmation of the agreement should be received in London not later than the 16th December.

Believe me [etc.] RICHARD CRAWFORD

[1] See Annex to the report of the representative of the Shipping Board, *ante*, p. 420.

File No. 103.9502/15

The Commercial Adviser of the British Embassy (Crawford) to the Counselor for the Department of State (Polk)

No. 642 WASHINGTON, *December 20, 1917.*

MY DEAR MR. POLK: In our official note No. 563 of the 3d instant [1] were given certain resolutions in regard to the control of tonnage, which had been drawn up in London and approved by the British War Cabinet. We have now received a cable from London stating that the following decisions on this question had been reached by the Inter-Allied Conference at Paris:

1. The points numbered A4, B2, B3, and B4 in our note above referred to were accepted, and the following further decisions were arrived at.

2. In order to carry out points A4 (tabulation of requirements, etc.), and B2 (bringing further tonnage into service), Allied bodies for the different main requirements for food, munitions and raw materials should be formed, on the model of the Wheat Executive, the United States authorities being associated with these bodies.

3. For the purpose of carrying out the common policy above indicated the appropriate ministries in France, Italy and Great Britain, together with representatives of the United States, should take steps to secure the necessary exchange of information and coordination of policy and effort, establishing a permanent office and staff for the purpose.

4. It was also decided that a statement should in the name of the Inter-Allied Conference be presented to the United States Government, showing the claims which the situation makes upon the United States so far as regards her participation in the solution of the tonnage problem. This statement was on the lines indicated in my letter of the 17th instant, No. 619, and embodied the following points:

(*a*) That the United States should aim at building at the rate of 9,000,000 tons dead-weight per annum, instead of the present programme of 6,000,000 tons per annum;

(*b*) That the United States should supplement the assistance given by Great Britain to France and Italy by providing at least 500,000 dead-weight in the immediate future, and by raising this figure to an average of at least 1,250,000 tons;

(*c*) That, having regard to the projected military effort of the United States, the foregoing assistance can only be provided if the United States, first, takes all possible steps to bring into war service neutral and interned vessels now idle or out of war service; secondly, obtains the maximum assistance from Japan; and thirdly, reduces her own requirements for imports and requisitions drastically from her own trade;

[1] *Ante*, p. 641.

(*d*) That the United States should supply Great Britain with additional tanker tonnage to the extent of 100,000 tons dead-weight at once, and a further 200,000 tons as soon as possible.

I understand that Colonel House was to present to the United States Government a memorandum of the above decisions. We are however instructed to point out the importance to the Allied Governments of receiving at the earliest possible moment an official confirmation on the part of the United States of the decisions of the conference, in order that the requisite allocations of tonnage to the Allies may be made, and that United States representatives may be appointed in London for the purposes indicated in paragraph No. 3 above.

Believe me [etc.] RICHARD CRAWFORD

[For a statement by the Ambassador in Great Britain, with reference to the question of the disposal of tonnage to be obtained by agreement with the Netherlands, that, "as we have no authorized representatives of the United States Shipping Board here it is very difficult for me to conduct these discussions," see his telegram No. 8039, December 21, 1917, Volume II, page 1157.]

File No. 658.119/159a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *December 22, 1917.*

6103. For Gunther from War Trade Board:

Reply to your cable 16th [1] delayed awaiting arrival of McCormick, Taylor. Total Swedish tonnage is 1,300,000 dead-weight of which they need for trade Sweden to Great Britain and America about 250,000 tons. We must insist on balance being divided 50–50 with British. French should clearly understand that this does not mean that the 50 per cent which we control will not be partly allocated to them where their needs prove more urgent than any of the other Allies. Of the quantity to be chartered to the Shipping Board one-third to be in safe trades and two-thirds in transatlantic trade. Rates in transatlantic to be same as inter-Allied chartering rates under Norwegian agreement and in West Indian and South American trades to be that of American Chartering Committee.

LANSING

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[1] *Ante*, p. 645.

COOPERATION OF THE UNITED STATES WITH THE ALLIED POWERS IN THE SUPPLY AND DISTRIBUTION OF FOOD

Suggestions made by Mr. Hoover in April for International Cooperation—Creation of the United States Food Administration, August 10—Establishment of the International Sugar Committee, the Meat and Fats Executive, and the Allied Provisions Export Commission—Delegation by the Purchasing Commission to the Food Administration of the Coordination of Allied Food Purchases in the United States

File No. 811.50

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *April 12, 1917, 5 p. m.*

4675. Herbert C. Hoover has been appointed chairman of the Food Commission of the Council of National Defense and desires while in Europe to study Allied food conditions. Endeavor to arrange for Hoover and his staff to have access to whatever Government departments can supply such information as Hoover desires to obtain. Confer with Hoover or his representative regarding departments which he desires to visit. LANSING

File No. 811.50/3

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 16, 1917, 6 p. m.*
[*Received midnight.*]

6008. Your 4675, April 12, 5 p. m. Hoover has, with my approval, already prepared a plan for unified purchase of food in the United States by the British, French and Italian Governments to prevent competitive buying, and plans for other unified actions towards the same end. The assent of these Governments is, I think, assured, and he will submit the plan to our Government. No other man on this side the Atlantic has the grasp of food and shipping needs, and management, that Hoover has, nor the energy and force to put them into execution, and he has the confidence of all these allied Governments. His appointment has given great satisfaction here. PAGE

File No. 811.50/5

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 19, 1917, 1 p. m.*
[*Received 2.30 p. m.*]

6037. Hoover, with my approval, has been for some days in intimate discussion with food departments of Allied Governments

regarding preparatory steps of organization for proper cooperation with them in food questions. He has presented following proposal:

It appears that first step towards better cooperation is early creation of international board with somewhat following functions:

(1) Creation of organs for consolidation of purchases of principal staples, this probably most easily accomplished by elaboration and strengthening of already established efficient organs such as Wheat Commission [1] whose operations on behalf of whole of consuming Allies would be practically complete if supply of army were added to functions. Such organs already partially exist for some staples and need creation for others. Such organization should produce as little disturbance in regular commercial activity as possible.

(2) The determination of total quantities available from different quarters and their allocation among Allies. Some system of export permits will probably need creation among all Allied exporters.

(3) Coordination of supplies so as to get best results from geographic distribution and economy and regularity in transportation.

(4) Determination of future needs in order to stimulate production in all quarters on lines which will remedy deficiencies and effect ease of transport.

(5) Allocation of surplus imports beyond Allied needs among neutrals in such manner as will through appropriate agencies secure equivalent return in shipping or other commodities from each neutral supplied.

(6) To organize publicity upon needs of importing Allies with view to stimulating effort from the exporting Allies.

(7) To correlate food transport to shipping necessities.

(8) From strictly American point of view centralization of buying of any particular staple in one set of hands will promote regulation of prices, and a knowledge of amount foodstuffs required by Allies will promote any action which may be taken by American Government with view to control [of] prices, stimulation of production, reduction of consumption of special staples or the substitution of other American products so as to free such staples for export.

I believe that recent large rise in prices has been due largely to rivalry of Allied organs in American markets. For stimulation of American production, it is desirable that some guidance should be given to American people as to character of cereals to plant at the present moment. Impossible to say what measure of price control or restriction on consumption may be undertaken in United States but whether any such measures are undertaken or not it appears that

[1] The Royal Commission on Wheat Supplies, commonly called the Wheat Commission, was created Oct. 10, 1916. It was the actual executive organ of the Wheat Executive, on which Great Britain, France, and Italy were represented, formed Nov. 29, 1916. Its agency in the United States was the Wheat Export Co., Inc.

erection of such organism as outlined above is essential before any adequate cooperation can be entered into by our country.

Hoover informs me that it is not intention that above inter-Allied board should have any executive functions over internal food questions of any Allied country but merely to coordinate inter-Allied food questions and to establish the sub-organizations for purchase and transport of oversea supplies so as to eliminate present competition amongst Allies. This matter was discussed this morning between Hoover and British War Cabinet who are in entire agreement and only await official approval of United States Government to proceed in matter. The departments in French and Italian Governments have expressed entire approval of proposal as of utmost importance. The British Government will secure the approval of the other Governments if you adopt it. It is desirable that I receive an indication of your approval without awaiting Hoover's arrival in Washington. The selection of American delegate to this board should be left till his arrival. It is both my own and Hoover's impression that similar action should be taken regarding shipping but that such proposal should await him as it is of more intricate character.

PAGE

File No. 763.72/3949

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *April 19, 1917, noon.*
[*Received 7 p. m.*]

6035. At Hoover's request I send the following important facts:

Careful investigation present food situation Allied countries shows position is most critical, especially regarding breadstuffs. Stocks Italy, France, and England do not average more than eight weeks of which at least four weeks are required for circulation, leaving only one month's real reserve, so that until next March harvest minimum three months' supply must be provided from overseas. The total minimum three months' requirement of breadstuffs, cereal imports for all Allies about 80,000,000 bushels of wheat and 30,000,000 bushels of corn. Approximately 10,000,000 bushels of wheat and corn can probably be drawn from India and Argentina, leaving 100,000,000 bushels required from United States and Canada. This does not include fodder. Disregarding shipping question, these are very close to minimums on which it can be hoped to maintain public tranquillity. In view of this I strongly advise that all shipping should be devoted to this end regardless of other uses and all export of cereals to neutrals from the United States sent forth at once. There is a large stock of wheat in Australia which cannot be moved

owing to the shortage of shipping not permitting the long haul and as neutrals are giving very little shipping to Allies they should be required to go to Australia for their supplies which they can probably arrange with the British Government and who will thus be enabled to press neutrals to cease food imports into Germany. It should further be remembered that bidding of neutrals in American markets in competition with each other and the Allies forces up prices not only to our own people but to the other Allies.

Under no circumstances must these facts be made public. Herbert Hoover.

PAGE

[The Food Control Act of August 10, 1917, and Executive order of the same date, appointing Herbert Hoover United States Food Administrator, are not printed, since their specific application is to domestic affairs. The organization given formal sanction and powers by the act had been functioning on an informal, voluntary basis since its authorization on such a basis by a letter of the President to Mr. Hoover, dated June 12, 1917; but its activities during that period had been almost wholly of a domestic nature.]

Food Administrator's File

The Food Administrator (Hoover) to the British Food Controller (Rhondda)

[Telegram—Extract]

WASHINGTON, *August 31, 1917.*

Referring your recent cablegrams we will arrange after September 5 for purchase balance Cuban crop one-third for you, two-thirds for us. Amount available less than we anticipated. You arrange Canada withdraw from Cuban market. Buying of new Cuban crop and equitable distribution thereof should have immediate attention. Will you agree to place your entire purchases raw and refined sugar from Cuba and America in hands of New York committee of five persons provided we can arrange for all American buyers purchase through same committee? . . . Committee to have full power to apportion Cuban crop to various countries on equitable basis, that is on average of shipments to various countries from America and Cuba during years 1916–17. Committee to be appointed to be appointees Food Administration, you naming two, we naming two, with Rolph, head of our Sugar Department, acting as chairman. Cable your approval naming your selections. . . .

HERBERT HOOVER

Food Administrator's File

The Food Administration Representative at London (Sheldon) to the Food Administrator (Hoover)

[Telegram—Extract]

LONDON, *September 5, 1917.*

. . . Yours of 1st on sugar was answered on 3d through British Embassy as follows:

Sugar Commission [1] will approach Canada as proposed. Agrees as to purchase balance Cuban crop. Agrees also as to future American purchases through New York committee constituted as proposed. Selection of our nominees will need consideration. . . .

SHELDON

Food Administrator's File

The Food Administration Representative at London (Sheldon) to the Food Administrator (Hoover)

LONDON, *September 7, 1917.*

MY DEAR HOOVER: On your representation that steps should be taken immediately, especially in your cable to Mr. Weir [2] of August 23,[3] all haste was made to get this [Meat and Fats] Executive constituted and on the 29th a cable was sent you direct [3] notifying you that an agreement had been signed by Great Britain and France and had been agreed to by the Italian delegates. A copy of this agreement was also sent forward to you direct by the Ministry of Food.[3]

Mr. Owen Hugh Smith expected to leave to-morrow but he has been somewhat delayed as the make-up of his mission could not be satisfactorily arranged in time to take to-morrow's steamer. He will be in charge generally of the plan of working out the practical details of the Meat and Fats Executive and probably many other questions concerning the supply of food to the United Kingdom.[4]

He is said to have been very successful in his work in the Ministry of Munitions.

Sincerely yours,

L. P. SHELDON

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[1] The Royal Commission on Sugar Supplies, commonly called the Sugar Commission, was created Aug. 20, 1914. It made purchases also for France and Italy.

[2] Andrew Weir, British Surveyor General of Supply.

[3] Not printed.

[4] His mission arrived in New York Oct. 2, 1917; it eventually developed into the Allied Provisions Export Commission.

Public Statement Issued by the Food Administration, September 21, 1917 [1]

[Extract]

In order to arrange for the distribution of the available sugar in the world, an International Sugar Committee of five members has been formed. Two of the members of this committee were appointed by the Allied Governments, and the men selected for this important work are Sir Joseph White Todd and John V. Drake, sr.,[2] both of whom are familiar with the sugar situation. The two American members of the committee appointed by the Food Administration are Earl D. Babst, president of the American Sugar Refining Co., and William A. Jamison, of Arbuckle Bros., neither of whom is interested in any way in the production of Cuban sugar. Mr. George M. Rolph, head of the Sugar Division of the Food Administration, will be the fifth member of the committee.

It will be the duty of this committee to arrange for the purchase and distribution of all sugar, whether for the United States or the Allied countries.[3]

Food Administrator's File

The Purchasing Commission to the Food Administrator (Hoover)

WASHINGTON, *September 27, 1917.*

DEAR SIR: The United States, acting through the Secretary of the Treasury, has entered into an arrangement with the Allied countries under which these countries are from time to time to communicate to our Government their respective requirements for materials and supplies from the United States, which materials and supplies are to be purchased through or under the direction or approval of a commission composed of the undersigned, a copy of which agreement is in your hands.

As the United States Food Administration has been established by Congress for the purchase or control of food and feeding stuffs in the United States, we are convinced that duplication of effort and expenditure and conflict of interest may be avoided, and more prompt and adequate results may be obtained, by the coordination of both the domestic and Allied Governments' requirements through the Food Administration and its agencies. We, therefore, request

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[1] *The Official Bulletin*, Washington, Sept. 21, 1917 (Vol. 1, No. 113), p. 2.

[2] Should read John Ramsay Drake.

[3] According to a supplementary statement issued Sept. 26 and published Sept. 27, "the activities of the committee will be confined to the importation of sugar from the West Indies and the United States insular possessions."

and authorize the United States Food Administration to undertake to purchase, and direct the purchase, of all food and feeding stuffs which may be required by any of the Allied countries under the arrangements entered into with the Secretary of the Treasury, and the Allied Governments have been notified to this effect.

You will, however, secure from the various Allied Governments an estimate of their requirements from quarter to quarter, and furnish the same to us for approval, and we will look to you to see that any agreed estimates are not exceeded without our previous approval.

The incidental expenditure imposed upon the Food Administration by this function should, of course, be borne by the Allied Governments, and we authorize you to enter into such arrangements to cover these matters with the agencies of the Allied Governments.

Very truly yours,

ROBERT S. BROOKINGS
BERNARD M. BARUCH
ROBERT S. LOVETT

The Wheat Crisis of November–December—Discussions in Connection with the Inter-Allied Conference—Representation of the United States on the Inter-Allied Commission on Scientific Alimentation

File No. 811.50/44

The Acting Secretary of State to the Chargé in Switzerland (Wilson)

[Telegram]

WASHINGTON, *November 3, 1917, 6 p. m.*

1089. Your 1875, October 17.[1] Department of Agriculture reports cereal situation as follows:

The 1917 wheat crop of the United States was estimated by this Department on October 1 to be about 660,000,000 bushels, which is 20,000,000 bushels more than the 1916 crop. The estimated surplus available for export is approximately 78,000,000 bushels, or about two and one-third million tons of 2,000 pounds. In addition to wheat, it is estimated that the United States will have a surplus over its own requirements of 481,000,000 bushels of corn, or nearly thirteen and a half million tons; 327,000,000 bushels of oats, or about five and one-fourth million tons; 72,000,000 bushels of barley, or one and three-fourths million tons; 24,000,000 bushels of rye, or two-thirds of a million tons; and large surpluses of other cereals and beans. The United States will therefore have a total surplus of the five cereals named available for export of approximately 982,000,000 bushels, or about twenty-three and one-half million tons of 2,000 pounds. This quantity is more than double the total average pre-

[1] Not printed.

war imports of all Allied and neutral countries of Europe combined. Considerable stocks of wheat and other cereals will also be available for export from Canada, Australia, Argentina and India.

You are authorized to make these figures public, the manner of doing so being left to your discretion.

POLK

Food Administrator's File

The Food Administrator (Hoover) to the Food Administration Representative at London (Sheldon)

[Telegram]

WASHINGTON, *November 8, 1917.*

The exportable balance of wheat from United States is now only 33,000,000 bushels disregarding conservation and from Canada 100,000,000 bushels. As Allied needs are over 40,000,000 bushels for month it is absolutely imperative that arrangements be made to purchase and load Argentine grain at the earliest possible moment. It seems to me vital that in order for them to purchase Argentine freely and at reasonable prices at the earliest possible moment arrangements should be made to positively limit neutral bunkers to announce this policy. Altogether I suggest you meet with Wheat Executive [1] in London and discuss whole matter fully.

HOOVER

File No. 103.97/25

The Food Administrator (Hoover) to the Special Representative of the Food Administration (Taylor) [2]

[Telegram]

WASHINGTON, *November 15, 1917, 4 p. m.*

I fear our wheat supply is even in more serious position than I previously outlined as no allowance was made for the necessity of 30 per cent larger seed requirements nor any longer carry over than last year. Even with stronger conservation our exportable surplus is practically exhausted and I can see no alternative but considerable imports from India and Australia pending Argentine harvest. Canada has an apparent available surplus of 100,000,000 bushels but it can only be exported over a considerable period. Our apparent surplus of corn for export is 350,000,000 bushels and of oats

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[1] See footnote 1, *ante*, p. 653.

[2] Transmitted by the Secretary of State through the Ambassador in Great Britain (No. 5819).

200,000,000, but corn will not be available in large quantities before January 1. In any event everything points to import of wheat from all other quarters, depending upon United States for corn and oats. In this situation am refusing wheat all neutrals including Swiss and we must have relief from Allied pressure at earliest date possible.

HOOVER

Food Administrator's File

The Special Representative of the Food Administration (Taylor) to the Food Administrator (Hoover)

[Telegram—Extract]

LONDON, *November 16, 1917.*

. . . Policy established and accepted that exportable North American wheat is limited to 132,000,000 bushels. Allies would prefer to have this all within three months. Expect to import 2,000,000 tons each Argentine and India. In the event of hiatus prior to Argentine deliveries would it be possible to borrow from United States 1,000,000 tons wheat and replace later from the Argentine Republic? Attempting to increase use of oatmeal. Wire definite figure on exportable surplus of rye and barley fit for human consumption. . . .

TAYLOR

File No. 600.119/445

The Food Administrator (Hoover) to the Special Representative of the Food Administration (Taylor)[1]

[Telegram]

WASHINGTON, *November 17, 1917, 2 p. m.*

For your general information. Our exportable surplus to Allies appears to be as at November 1 in million bushels: barley 24, rye 11, corn 300, oats 200. Wheat is statistically exhausted but of course conservation may yield some monthly dividends. Our calculations of Allied necessities until next harvest are: corn 200, oats 200, wheat 350. Canadian wheat surplus is about 120. This appears to me to point to their provision of all wheat from Canadian and other sources or if we provide wheat pending Argentine arrivals owing to slow movement Canadian wheat it should be replaced from Canada. Would like to have your early check on these estimates. We also need competent advice on their other food needs, meat, fats especially, otherwise we cannot intelligently guide conservation.

HOOVER

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[1] Transmitted by the Acting Secretary of State through the Ambassador in Great Britain (No. 5837).

File No. 103.97/46

The Food Administrator (Hoover) to the Special Representative of the Food Administration (Taylor) [1]

[Telegram]

WASHINGTON, *November 20, 1917, 2 p.m.*

Am I correct in assuming 132,000,000 bushels wheat, ourselves and Canada, date from November 1 and includes flour in terms of wheat? If so we can supply it. At present North America shipping at rate 6,000,000 bushels wheat or flour in terms of wheat weekly and can increase it possibly to 8,000,000 weekly if they send tonnage.

Rye, exportable surplus about 10,000,000.

Barley, normal surplus about 25,000,000, but will ship more if they wish as we do not mind depleting brewery supply. On this point, however, it would assist whole position here if they could assure us that none of our grain will be used for drinks. Allies have considerable barley on Pacific coast but no shipping and we cannot afford cars for transcontinental shipment.

Barnes assures me has given no estimates on corn. The position is slow maturity, scarcity of labour and practical famine here for past three months with consequent large absorption by interior will prevent any considerable shipment before January 1. We anticipate 10,000,000 bushels exportable January and 20,000,000 or 25,000,000 monthly thereafter especially after wheat exports slackened.

Will take all the measures we can for early drying. Vegetable oil compounds, will reply few days.

HOOVER

File No. 103.97/51

The Food Administration Representative at London (Sheldon) to the Food Administrator (Hoover) [2]

[Telegram]

LONDON, *November 24, 1917, 9 p. m.*
[Received November 25, 4.30 a. m.]

No. 81. Rhondda communicates:

I am seriously alarmed by your cable and Doctor Taylor's confidential statement that the total exportable wheat surplus from United States and Canada will not exceed 133,000,000 bushels. Unless Allies can rely on North American exports considerably in excess

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[1] Transmitted by the Secretary of State through the Ambassador in Great Britain (No. 5851).

[2] Transmitted by the Ambassador in Great Britain through the Secretary of State (No. 7808).

of these figures and upon a larger amount of grain than is now being allocated we shall be confronted with a situation of extreme gravity. I am exerting every effort to reduce the estimated Allied requirements to the bare minimum consistent with military efficiency but when all possible reductions and all probable imports from other sources are allowed for there remains on the basis of your figures a serious deficiency. In view of this situation I earnestly trust that either by dilution or other measures you will find a way to increase this year's exportable surplus.

SHELDON

File No. 103.97/58a

The Food Administrator (Hoover) to the Food Administration Representative at London (Sheldon) [1]

[Telegram]

WASHINGTON, *November 27, 1917, 5 p. m.*

For Lord Rhondda:

It appears to me that the only solution of wheat situation lies in the implementing Australian, Indian and Argentine supplies and insistence on the part of all food controllers of the imperative necessity of the priority provision of shipping for this purpose. We are using every effort to reduce consumption but do not see at present any larger supply than amount mentioned unless provision is made for replacement from Argentine at later date.

HOOVER

File No. 103.97/71

The Food Administration Representative at London (Sheldon) to the Food Administrator (Hoover) [2]

[Telegram]

LONDON, *December 16, 1917, 10 a.m.*
[*Received 6.30 p.m.*]

No. 93. At meeting of Wheat Executive [3] to-day the statement in the Wheat Export Co.'s [3] cable that shipments could not exceed 800,000 tons per month owing to railroad blockade and congestion at ports [was discussed].

[1.] It was pointed out that short shipments from December 1 to date have so reduced stocks in the three Allied countries that it will not be possible to carry on unless a minimum of 1,100,000 tons per month from America in January and February are realized.

2. As an illustration, Italy's arrivals up to end December, in spite of every effort to help by diverting all available British tramp

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[1] Transmitted by the Secretary of State through the Ambassador in Great Britain (No. 5914).

[2] Transmitted by the Ambassador in Great Britain through the Secretary of State (No. 7981).

[3] See footnote 1, *ante*, p. 653.

tonnage, will amount to 477,000 tons which is a deficiency of 624,000 on original required. This deficiency must be made good quickly but Italy's fair share of shipping [*shipments*] if total amounts to only 800,000 tons in these months, will do nothing to remedy past deficiencies and furthermore if France and Great Britain do not receive their full share of such shipments stocks will be reduced to such an extent as to lose the margin necessary to secure reasonable distribution.

3. In addition to the previously mentioned Allies' requirements, the Paris conference decided to allocate 240,000 tons cereals to Switzerland of which a portion was to be delivered in December and in addition the cereal wants of Greece were put on the same plane as the Allies' by the Paris conference.

4. Poland[1] tells me that 81,000 tons cereals have been allocated to Belgium and the Wheat Executive hopes that this will not diminish what is available for it and that you have been making allowance for Belgium requirements outside the Wheat Executive's wants.

5. Italy's loss of cereals is proportionately much greater than loss of population and Italy is requesting further allocation from the Wheat Executive's availability. You will, therefore, see the vital importance of the maintenance of shipments to the minimum of 1,100,000 tons for which I understand shipping will be available. I would suggest that if railway and dock congestion be the main deterrent to fulfillment of the minimum program, the importance of the cereal situation be brought to the attention of the highest authorities. Taylor on arrival will present all details. Please keep me fully informed of cereal developments.

[SHELDON]

File No. 103.97/78

The Food Administration Representative at London (Sheldon) to the Food Administrator (Hoover)[2]

[Telegram]

LONDON, *December 22, 1917, 10 a. m.*
[*Received 6.35 p. m.*]

96. Your 58.[3] Rhondda communicates following for your personal information:

Replying your cable. It is entirely incorrect to quote me as saying, "There is plenty of food in England and France." What I did say repeatedly in public and private was that there was no reason for immediate alarm although every reason for strict economy and precautionary measures. Alarmist statements would inevitably

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[1] W. B. Poland, Director for Europe, Commission for Relief in Belgium.
[2] Transmitted by the Ambassador in Great Britain through the Secretary of State (No. 8044).
[3] Not printed.

have led to panic with consequent encouragement to the enemy and hoarding of domestic food supplies before we had the machinery ready to suppress it. Moreover, amount of bread-stuffs and meat in the country and the estimate of available imports did not justify statements of such a character unless one was prepared deliberately to exaggerate or suppress existing facts in the light of recent developments, particularly as to the failure of anticipated wheat imports and the division of supplies to other countries. I have within the last few days publicly stated that compulsory rationing of the essential food-stuffs is "probable" and that I view the situation with grave anxiety. The food position in this country, and as I understand it in France also, can now without any exaggeration be described as critical, and anxious as I am to avoid compulsory rationing I fear it will have to come with long queues of people awaiting in the severe weather in practically every town in England for the daily necessaries of life. It would be impossible for me or anyone in his senses to say that there was "plenty of food."

[SHELDON]

Food Administrator's File

The Food Administrator (Hoover) to the Food Administration Representative at London (Sheldon)

[Telegram]

WASHINGTON, *December 24, 1917.*

I do not understand your telegram December 16. First, the Allies have only provided 850,000 tons shipping for December which amount will be loaded despite some railway difficulties due to universal blizzards. Second, we have provided full amount 1,100,000 January at various ports and there will be no difficulty loading but we are informed that full complement of shipping is not assured. Third, Allied foodstuffs are receiving and will receive every precedence in railway and port movement. You can assure authorities that if we receive the shipping and barring of course unforeseen incidents of war we will load not only the cereal programme but one to two hundred thousand [tons] foodstuffs for the Owen Smith commission.[1]

HOOVER

File No. 800.61/18

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *January 3, 1918, 7 p. m.*

3023. Referring to your December 1, 10 a. m.,[2] sent by Taylor for Secretary of Agriculture stating, "Can you appoint member on

[1] See footnote 4, *ante*, p. 656.
[2] Not printed.

commission to study production with Allies? Must understand our export conditions in fertilizer, seeds and machinery." Secretary of Agriculture informs me that he is now ready to designate representative of his Department for service on this commission, and also two assistants, experts in their particular lines. You are instructed to ascertain present status of this enterprise and report whether any changes in the plans have been made and if it is still desirable for American representatives to become members of this commission. Please cable when and where these representatives if appointed should go. LANSING

File No. 800.61/20

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *January 16, 1918, 6 p. m.*
[Received January 17, 1.40 a. m.]

3048. My 3031, 13th.[1] Am officially informed that Allied conference[2] decided that a scientific committee for revictualling operation formed composed of two American, two British, two Italian, and two French delegates sitting at Paris which would meet periodically in one or another Allied country to study inter-Allied programs for revictualling and furnish proposed measures in agreement with private executives. Mr. Victor Boret, Minister of Agriculture and Revictualling, is to confer in London with Mr. Prothero, Minister of Agriculture, and will take up question of the creation of this bureau. Communication from Ministry of Commerce follows by next pouch.[1] SHARP

File No. 763.72/8748

Dr. A. E. Taylor, for the Food Administration, to the Counselor for the Department of State (Polk)

[Extract]

WASHINGTON, *January 21, 1918.*

MY DEAR MR. POLK: At the meeting of the Inter-Allied Conference in Paris an Inter-Allied Commission on [Scientific] Alimentation was formed to consist of two representatives of each of the four nations, and to sit more or less continuously in Paris. Our allies will name members as soon as they are advised that we have done so. Mr. Hoover has sent in to the President the names of Prof.

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[1] Not printed.
[2] Inter-Allied Conference at Paris, Nov. 29–Dec. 3, 1917.

R. H. Chittenden, Director of the Sheffield Scientific School, Yale University, and Prof. Graham Lusk of Cornell University.

. . . . . .

Believe me [etc.]

U. S. FOOD ADMINISTRATION
By A. E. TAYLOR

COOPERATION OF THE UNITED STATES WITH THE ALLIED POWERS IN THE PROCUREMENT AND DISTRIBUTION OF NITRATES

File No. 825.6374/39

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *September 7, 1917, 1 p. m.*
[*Received 6.40 p. m.*]

7119. Reference dangerous shortage world's nitrate supplies Embassy is informally informed that British Government is prepared [to make] suggestion to United States, France, Russia and Italy to join her in a concerted policy (1) for preventing present competition among Allies and among their departments of government, (2) for discovering and eliminating enemy influences known to be hampering production and deliveries, and (3) for purchasing and allocating among Allies entire production Chile nitrates for year 1918. To effect these objects British Government is prepared to propose that a commission in London of the Allied Governments be named to constitute a nitrate commission with a joint agent in Chile to purchase entire 1918 product and arrange distribution amongst Allies and such of neutral countries as may be thought advisable.

It is desirable that the Embassy know the view of the United States Government on this forthcoming proposal as without our participation the position of the other Allies will be extremely difficult since the United States is expected to take in 1918 1,500,000 tons out of total estimate of 3,500,000, other estimates being England 600,000, France 600,000, and Italy and Russia 500,000 between them, totaling 3,300,000 [*sic*] for 1918, whereas estimated production apart from the German plants is only 3,000,000. The proposed commission is similar in principle to wheat and fat and other commissions. France and England are known to be favorable and Italy believed to be and the Embassy recommends the favorable consideration of the United States Government with a view to agreeing to the British proposal which is about to be made. PAGE

File No. 825.6374/41

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *September 13, 1917, 7 p. m.*
[*Received September 14, 1.10 a. m.*]

7163. The proposal for a concerted policy in regard to nitrate supplies, forecasted in the Embassy's telegram of September 7, No. 7119, was presented Wednesday night by the Ministry of Munitions of the British Government through the International Purchasing Commission, Commission Internationale de Ravitaillement in London to the representatives of the United States, Great Britain, France, Italy, and Russia, who met together to receive it. The proposed commission is entitled the Nitrate of Soda Executive, and following are the thirteen articles composing the memorandum of agreement suggested by the Ministry of Munitions and passed for the approval of their Governments by the representatives of the countries named:

1. There shall be constituted forthwith and set up in London a joint Executive, hereinafter referred to as the Nitrate of Soda Executive, for the purpose of controlling the purchase and supply of nitrate of soda in Chile for the Governments represented on the said Executive, of coordinating the action of these Governments in relation thereto, of allocating the available supplies of nitrate of soda in agreed proportions between the said Governments, and of disposing to governments not represented on the said Executive or neutrals such quantities as it may deem to be desirable by the said Executive.

2. Nitrate of Soda Executive shall consist of an equal number of representatives, not exceeding two, of the British, French, Italian, Russian, and United States Governments, respectively, and subject to the authority of the respective Governments, shall have full power to act on behalf of their Governments.

3. Subject to the limits and conditions of the financial resources placed at the disposal of the Nitrate of Soda Executive by the Governments represented thereon, the said Executive shall have full power to meet the requirements of the said Governments by the purchase and allocation amongst them of the nitrate of soda available and to make arrangements for its transport with the competent departments of the respective Governments.

4. No sale shall be made by the Nitrate of Soda Executive to neutral countries which is contrary to the blockade policy pursued by the Governments represented thereon.

5. The Nitrate of Soda Executive shall, as soon as possible, draw up an approximate estimate of the supplies of nitrate of soda required to be imported by each of the Governments represented on the said Executive over a specified period of time, showing the dates on which such supplies are required and also distinguishing between the various

uses to which the required material is to be put. The proportion which the requirements of each Government bears to the sum of the requirements of all the Governments shall, for the purposes of this agreement, be termed the ascertained proportion for each country.

6. The total purchase for all requirements shall be allocated as nearly as practicable on the basis of the ascertained proportions respectively, provided that the requirements for the manufacture of explosives shall have preference over all other requirements.

7. The ascertained proportions may be varied by mutual consent from time to time having regard to the total stocks of nitrate of soda held by each Government concerned and in accordance with the relative urgency of their needs and with the amount of tonnage at their disposal.

8. The Nitrate of Soda Executive shall allocate purchases in an equitable manner and in accordance with the principles laid down in the foregoing articles.

9. In the event of any of the Governments concerned not desiring or being unable to avail themselves of the share in any of the purchases allocated to them, the Executive may, with the consent of each of the other Governments, allocate the supplies so renounced amongst the other Governments in an equitable manner.

10. Subject to any general arrangements made between the competent departments of the Governments concerned, the transportation and payment for the supplies of nitrate of soda for each of the said Governments shall be undertaken by that Government.

11. The Nitrate of Soda Executive shall keep clearly in view the advantages of pooling all purchases and shall arrange for all buying for the Governments represented on the said Executive to be concentrated in one purchasing agency appointed by the said Executive. The Governments concerned will exercise such control over their nationals as will prevent them buying through any channel except through their representatives on the Executive.

12. The Nitrate of Soda Executive shall be furnished by the representatives of each Government with full information as to their respective requirements and consumption of nitrate of soda, as to the stocks in their respective countries, and with any other information necessary for the performance of their function.

13. The financing of the operations of the said Executive will be arranged by the Government of the United States of America; the regulations for this purpose made by that Government will form an annex to this agreement.

No representatives other than Italy's made any comment. The Italian representative is communicating to his Government objections to articles 7 and 10, not against the [constitution] of the proposed Executive but against the manner in which steamship tonnage is allocated to Italy by the International Purchasing Commission and the British Government. The Italian objection is likely to be sustained at Rome because, while it is actually not directly relevant to the question of the control of nitrates, it gives the Italian Government an opportunity to again raise the tonnage question in a general sense with the British Government which has made use of

its tonnage control as a part of its political policy at Rome. This would appear to be, however, a local question between Rome and London with which Washington is not directly concerned. Section 13, contemplating financing by the United States Government, was not objected to by any representative and is very strongly supported by the British Government. It had been informally suggested that such financing could be effected through special nitrate account opened by the Treasury in Washington from which payments would be made in Chile and into which deposits offsetting such payments would be made from the proceeds of American loans to the Allied countries, Treasury drafts in dollars being employed by the purchasing agent in Chile to satisfy the invoices of the nitrate purchasers who would employ such dollar drafts by purchasing from their local bankers sterling, dollars or other exchange or currency they might desire. The British Treasury has agreed informally in principle to the United States Government financing purchases but has not been queried on its attitude towards this or any other special method and it is understood that the Department will indicate specifically if the whole of the proposal is accepted before financial plan is annexed to the agreement. The Embassy is asked by the International Purchasing Commission and the British Government if it will, in approving the proposal, immediately suppress all private buying of nitrates, so acting prior to announcing its adherence to the proposed pool in order that speculation and enemy action in securing control of stocks may be prevented.

The Embassy is informed that the British Ministry of Munitions is cabling Thursday to its representative in America with the view of his approaching the Department through the British Ambassador.

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File No. 825.6374/46

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *October 10, 1917, 3 p. m.*
[Received 9.45 p. m.]

7384. My 7119, September 7 and 7341, October 5, 7 p. m.[1] France, Italy, and Russia have arranged [*agreed*] to method of pooling nitrate purchases and allocations suggested by British Government. As you know British Government is suspending any definite action to give American War Industries Board opportunity to consider the question. British Ministry of Munitions received a few days ago a

[1] Latter telegram not printed.

telegram from Brand stating that while Baruch and War Industries Board favored nitrate purchases they desired purchasing operations directed from Washington rather than London. Representatives of Great Britain, France, Italy and Russia are opposed to this suggestion and are so informing their Governments on the following grounds:

1. At least half the world's nitrate interests is in London.
2. London is the international nitrate sales market.
3. The shipping difficulties are bound to be considerable and the tonnage interests of all the Allies are formally centralized here in the Inter-Allied Chartering Commission.
5. [4]. The negotiations with Chile for fuel supplies to the nitrate *oficinas* are directed from here.
5. There is no existing inter-Allied body in the United States similar to the International Purchasing Commission in London for handling this matter as an established part of the whole Allied supply position. The representatives of these four powers have no objection to having a representative or committee in Washington through whom the proposed Nitrate Executive would operate but are strongly of the opinion that to make Washington the actual seat of the Executive would hamper all the Allies and prejudice the value of the proposed pool.

Brand reports that the War Industries Board lacks explicit statement of the Allies' nitrate requirements and I beg leave to suggest that Chairman Baruch be supplied with the figures contained in my telegram on the subject of September 13, 7 p. m. [*September 7, 1 p. m.?*[1]]

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File No. 825.6374/41

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 5, 1917, 5 p. m.*

5730. Paraphrase of your 7163, September 13, 7 p. m., transmitted Secretaries of War, Navy, Agriculture and Commerce, Exports Administrative Board and Council of National Defence. After full discussion British war mission here was informed on October 30 that while this Government is disposed to agree to the proposed establishment of a purchasing agency composed of representatives of each Government, the *sine qua non* of such agreement must be an arrangement whereby Department of Agriculture will receive 100,000 tons of nitrate before June 1 to be allocated to it in addition to the amounts that will be set down as the requirements of various nations. The mission replied on the same date that in view of the shortage of nitrate over and above the requirements for

[1] *Ante*, p. 666.

war purposes such a requirement of 100,000 tons mentioned is a serious matter and makes more urgent an increase of production; that while it is now anticipated that the British Government will feel obliged to ask for a reconsideration of this condition, it is hoped the United States will recognize the increased need of taking measures to provide tanker tonnage required for the oil which, in addition to the coal to be supplied by the British Government, is essential not only to increase but even to maintain existing production; that it is assumed the purchase of 100,000 tons will be made through the new agency and not independently.

Matter is being further considered here and settlement expected in a few days. You will be informed at once.

Mr. Skinner, Consul General at London, will act as American representative on the new purchasing agency pending appointment of permanent representative. Please inform Skinner and acquaint him with facts in your possession.

LANSING

File No. 825.6374/54a

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *November 16, 1917.*

5831. Please communicate the following to Consul General Skinner, furnishing him with copies of previous cables and full information regarding the proposed Nitrate of Soda Executive Committee:

Referring to British proposal for formation of Nitrate of Soda Executive, composed of representatives of American, British, French, Italian and Russian Governments, which has already been agreed to by the other Governments, this Government desires that a preliminary meeting of this proposed Executive be held promptly and authorizes Consul General Skinner to attend as its representative informally to present the following views and obtain full statements of views of the other Governments.

1. The Government of the United States accepts in principle the British proposal and agrees that the entire supply of nitrate of soda needed by these five Governments for the year 1918 shall be purchased without competition, and that the amount purchased shall be pooled for their mutual benefit, but it desires to suggest some modifications as to the method of purchase and allotment, and its acceptance of the agreement is subject to the condition that it shall not be bound to any action which proves to be unacceptable to the Chilean Government.

2. It is reported that the Chilean Government is supporting a project, for which legislation is pending in the Chilean Congress, to force all nitrate producers into a combination designed to regulate production and price. It, therefore, seems advisable that some steps be taken to meet this situation.

3. It is suggested that it might be possible, without going into the open market, to arrange immediately through a British agency by private contracts with the British-owned or British-controlled producing companies for the purchase of their entire output for 1918 at a price to be subsequently adjusted on the basis of average profits to producers on the entire amount of nitrate purchased for 1918 delivery to the five Governments concerned, taking into account cost of production and delivery.

4. It is further suggested that the Executive Committee should, in its discretion, authorize at once the purchase in the open market of such nitrate as can be bought on reasonable terms for delivery in 1918. In this connection it is desired by the United States Government to preserve the existing buying agencies by utilizing their existing facilities in the proportions of their present business, but requiring them to operate under direction of the Executive, and, if necessary, all purchases to be pooled for account of the Executive.

5. It also seems advisable that arrangements be made to undertake negotiations as soon as possible in Chile for the purchase from the projected Chilean producers' combination of the entire available output for the year 1918 on the best terms possible, to be approved by the Governments concerned.

It seems undesirable to carry on these negotiations through ordinary diplomatic channels on account of the contraband character of nitrate; therefore, it would be advisable to send a special representative to Chile for that purpose, and, if agreeable to the other interested Governments, the Government of the United States will undertake the responsibility of initiating and directing these negotiations on behalf of the five Governments concerned.

6. It is necessary to arrange ample supplies of fuel, bags and other materials that may be required to facilitate production and shipment, and the American and British Governments should supply these at an agreed standard price, any increase or decrease of the price above or below an agreed standard would be added to or subtracted from the contract prices of nitrate; similarly standards for all elements entering into the cost of production should be agreed upon and adjustments made for any variations therefrom.

7. It is understood that all purchases of nitrate shall be pooled for the mutual benefit of the five Governments concerned in the proportions which have been heretofore suggested.

8. The United States Government will supply the necessary shipping tonnage required for transporting its share from Chile to the United States, and also will supply and transport to Chile to the utmost extent possible the necessary amount of fuel oil required there for the highest possible production of nitrate during the year 1918, but the United States can not undertake to supply any shipping tonnage for transportation of nitrate across the Atlantic.

9. Subject to the above suggestions and modifications, the arrangement proposed by Great Britain, and already agreed to by France, Italy, and Russia, for the formation of a joint Nitrate of Soda Executive is acceptable with the exception of paragraph No. 13 of the plan, which has already been refused by the United States, and subject also to the reservation made by the United States as to the independent purchase by itself of 100,000 tons of nitrate for the Department of Agriculture.

10. The Government of the United States also desires expression of views of the other Governments as to whether formation of proposed nitrate combination should be opposed or encouraged.

POLK

File No. 825.6374/51

The Consul General at London (Skinner) to the Secretary of State

[Telegram]

LONDON, *November 17, 1917.*
[*Received 5.10 p. m.*]

Department's 5730, Embassy. British members proposed Nitrate Executive request me to cable following as their view of restriction of organization in order to facilitate formulation of instructions to me by American Government.

1. Maximum production to be encouraged from all sources in Chile at fair prices varying with local cost of production.
2. Negotiations in Chile to be conducted by Anthony Gibbs, Valparaiso, nitrate importer and producer, actually sole agent of British Government for all nitrates, proposed appointment subject to discussion. Recommended by British as convenient and efficient.
3. Purchases to be effected at fixed rate of exchange, governments affected to take the risk of variations. This plan adopted with satisfactory results in Swedish business.
4. The oils and possibly some coal to be provided from America, new contracts for oils to be at fixed price. Sir Thomas Royden[1] reports imports in Chile for nitrate production in 1916 were 560,000 tons.
5. British Government to provide bags from India.

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[1] British shipping delegate in the United States.

6. Requirements to be divided into purposes, American Government should instruct me as to American needs.

7. British members recommend that pending definite organization of Executive no dealings take place. They are informed that Dupont has been authorized to make some purchases. It seems advisable that this authorization be withdrawn.

8. Chilean Minister in London entirely satisfied and has now cabled his Government accordingly.

9. Proposals regarding financing of purchases as stated section 13 of draft agreement,[1] each Government making its own arrangements. As respecting this Crosby of American mission now drafting arrangement which he considers most advantageous.

SKINNER

File No. 825.6374/53

The Consul General at London (Skinner) to the Secretary of State

[Telegram]

LONDON, *undated.*

[*Received November 20, 1917, 9.50 p. m.*]

Department's 5831, November 16, to Ambassador. Nitrate Executive met informally yesterday to receive Department's views, concerning which following represents thoughts and wishes of Executive.

Department's paragraph 3: British Government has already purchased 425,000 tons for itself. Executive not prepared to go into open market until purchasing organization formally constituted. 4: British representatives, as I cabled 17th, desire to employ Gibbs as sole purchasing agent believing his relations with Grace & Co. and other concerns such as would result practically in employment of all existing agencies. Italian representative strongly favors appointment of special representative as suggested in Department's paragraph 5 to take superior direction of all undertakings in Chile. France leans towards Gibbs, Russia non-committal. 6: See my November 17. No difficulty with respect to bags. 8: British representative stated that another board was arranging pooling of all tonnage which necessarily would include tonnage for nitrate. Foreign representatives understood that paragraph 13 of plan for financial arrangements expressed American wishes but are quite disposed to accede to any other proposals. Now await acceptable draft from the United States. 10: Foreign representatives are now of opinion that Chilean combination should be neither encouraged nor discouraged, regard it as natural consequence of proposed Executive here and believe that relations between two proposed bodies can be mutually

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[1] *Ante*, p. 668.

satisfactory. View of all foreign delegates is that no practical steps can be undertaken until final draft of arrangements completed and ratified. They regard it as vitally important that this ratification should be expedited to the utmost extent. Revised draft being now prepared for Department's approval.

SKINNER

File No. 825.6374/58a

The Secretary of State to the Consul General at London (Skinner)

[Telegram]

WASHINGTON, *November 30, 1917, 4 p. m.*

On unquestionable authority we learn that Japanese Government has instructed consular officer in Chile to contract for shipment for 1,000 tons of nitrate on every ship sailing from Chile to Japan. Please inquire why it was not thought necessary or desirable to include Japan in negotiations for a nitrate agreement. Report immediately.

LANSING

File No. 825.6374/61

The Secretary of State to the Consul General at London (Skinner)

[Telegram]

WASHINGTON, *December 4, 1917, 7 p. m.*

Replying your cables November 30 and December 1,[1] communicate following to members Nitrate Executive or Commission Internationale, whichever is appropriate.

1. United States Government approves decision to invite Japanese participation in Nitrate Executive.

2. In reply to letter from chairman, Commission Internationale, in behalf of British, French and Italian representatives, urging the appointment of Gibbs & Co. as sole purchasing agent, the Government of the United States appreciates the importance of making use of the efficient organization of that company and agrees that their offer to place their organization at the disposal of the Executive should be accepted, but the Government of the United States believes that it is also important to make use of organizations of Dupont, Grace, and Wessel Duval in purchasing nitrate, acting under a director of purchases, not only because each has business relations with various producers from whom they can purchase to best advantage, but also because their participation will be of assistance in financing purchases. Moreover, the influence which the

[1] Neither printed.

United States can exert on the producers through the control of the oil supply must be given full weight. For these and other reasons already expressed, the Government of the United States believes that irrespective of who might be selected as agent it would be a mistake to limit the Executive to purchasing through a single purchasing agent for all Governments concerned.

3. On the other hand, the Government of the United States would have no objection to a single agent, acting not as the sole purchaser, but as the director of purchases for the Executive on the understanding that an amount equivalent to the United States' quota will be purchased through Dupont, Grace, and Wessel Duval in proportion to their normal tonnage, their operations being subject to the direction of the United States Government in case of disagreement among themselves. If this arrangement is satisfactory the United States will agree to the appointment of Gibbs as director of purchases on this basis in executing orders from Executive in London.

4. If the above suggestion is not acceptable, then the Government of the United States prefers to adopt the alternative arrangement proposed in the chairman's letter for the appointment of Gibbs as purchasing agent for the Governments other than the United States and another agent, designated by the United States, to purchase the amount equivalent to the supply required for use in the United States acting efficiently in cooperation with Gibbs.

5. In agreeing to either of the arrangements above proposed, it is understood that all purchases through any agencies are pooled for Governments interested under Nitrate Executive agreement,[1] including purchases already contracted for from 1918 output.

6. Representations were made recently through Chilean Ambassador here that if the Government of the United States permitted shipment to nitrate producers of necessary oil supply required for maximum production it must receive reciprocal treatment on basis of community of interest in nitrate business, and it was also suggested that Chilean Government should again act as intermediary in arranging for sale to Dupont of nitrate produced by German owned *oficinas* if oil was supplied to them from United States in same way as Chilean Government arranged for previous purchase of German nitrate by Dupont. The Ambassador reported these views to his Government and the President of Chile has now proposed to Dupont's representative there that Chilean Government take over all German *oficinas* and sell to Dupont and/or United States Government all nitrate produced at a price equivalent to cost plus a reasonable profit, the part of price representing cost being

[1] *Ante*, p. 667.

paid in Chile and the balance being deposited in bank in United States until end of war. Dupont and/or United States Government to see that bags are contracted for account of the Chilean Government and existing oil contracts fulfilled, and new supply contracted for when necessary. This arrangement to be subject to approval of Allied Governments and to continue during the war. The Government of the United States regards this proposal favorably and requests prompt consideration by the other Governments concerned, on the understanding that it will be treated confidentially and that Gibbs will not participate, and that the nitrate so secured will go into the pool as part of the quota purchased through United States agencies.

7. Ascertain what arrangement is proposed by Executive about supply and price of bags, and what assurance can be given to Chilean Government about this.

8. Ascertain same about coal to Chile from British mines.

9. Relying upon assurances received through Mr. Brand of the British war mission here that the 100,000 tons required by the United States Agricultural Department will be supplied out of the pool, the unfilled portion of Dupont's order to purchase this amount has been cancelled. It is understood that the price of this 100,000 tons will be at the rate of 12 shillings.

LANSING

File No. 825.6374/61

The Secretary of State to the Consul General at London (Skinner)

[Telegram]

WASHINGTON, *December 6, 1917, 6 p. m.*

Supplementing Department's December 4th regarding nitrates. In case acceptance of proposal in paragraph 3 is made conditional upon including Gibbs among purchasers for American market on basis of their fair proportion of past business, you are authorized to assent to that arrangement. LANSING

File No. 825.6374/63

The Consul General at London (Skinner) to the Secretary of State

[Telegram]

LONDON, *December 8, 1917.*
[*Received December 9, 4.05 a. m.*]

Department's 4th. *First.* Nitrate Executive have invited Japanese participation. British Foreign Office has instructed Ambassador Tokio to support invitation. Similar action on the part of United States recommended. *Second and third.* Provided Ameri-

can Government agrees (and it has authorized me so to agree), to include the American house of Gibbs with the other firms named to acquire such quantities of nitrate of soda as may be allocated to the United States by the Executive, the proposal formulated under Nos. 2 and 3 is accepted. Under this proposal Herbert Gibbs, resident member of firm, will be appointed director of purchases and will act under instruction of Executive. Gibbs's share of American orders will be reduced to extent of Grace's European trade. Unadvised Grace has executed European orders since war. *Fifth.* All purchases already contracted for are pooled as to quantities but not necessarily as to prices. *Sixth.* It is improbable that maximum production can be moved in which event operation of German establishments not desirable but whole question in abeyance pending definite constitution of Executive when matter will be taken up and dealt with. *Seventh.* Bags for Chilean Government will be dealt with when decision reached as to German establishments. *Eighth.* Ministry of Shipping undertakes to transport up to 300,000 tons coal to Chile provided United States will provide what fuel oil is still required. *Ninth.* Gibbs will supply 79,000 tons for Agricultural Department at 12 shillings meeting Department's wishes.

In reply to Department's 6th,[1] Gibbs will lend Duval 3,500 tons for Mexicanos for immediate loading adjusting later from pool. Munitions Board of Canada required 48,000 tons for delivery January to May and owing to delay in formation of Executive Gibbs was authorized to supply about 8,000 tons to the end of January which will come out of pool.

Draft of agreement will be cabled Monday.

SKINNER

File No. 825.6374/64

The Consul General at London (Skinner) to the Secretary of State

[Telegram]

LONDON, *December 10, 1917.*
[*Received December 11, 7.30 a. m.*]

Following memorandum of agreement accepted by all members Nitrate Executive subject as to munitions to Department's approval. Text scrutinized and approved by the committees and Crosby except paragraph 11 completed Saturday and which is to be interpreted in accordance with my telegram of 8th. Executive hope Department will immediately authorize me to sign agreement on behalf of United States. Agreement follows:

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[1] Not printed.

1. There shall be constituted forthwith and set up in London a joint Executive (hereinafter referred to as the Nitrate of Soda Executive) for the purpose of controlling the purchase and supply of nitrate of soda (in Chile) for the Governments represented on the said Executive, of coordinating the [action] of these Governments in relation thereto, of allocating the available supplies of nitrate of soda in agreed proportions between the said Governments and of disposing to governments not represented on the said Executive, including neutrals, such quantities as may be deemed to be desirable by the said Executive.

2. The Nitrate of Soda Executive shall consist of an equal number of representatives not exceeding two of the British, French, Italian, Russian, United States Governments, respectively, and subject to the authority of the respective Governments, shall have full power to act on behalf of their Governments.[1]

3. Subject in the case of each Government to the limits and conditions to the financial resources placed at the disposal of the members to the Nitrate of Soda Executive by such Government, the said Executive shall have full power to meet the requirements of the Governments represented on said Executive by the purchase and allocation amongst [them] of the nitrate of soda available and to make arrangements for its transport with the competent departments of the respective Governments.

4. No sale shall be made by the Nitrate of Soda Executive to neutral countries which is contrary to the blockade policy pursued by the Governments represented thereon.

5. The Nitrate of Soda Executive shall, as soon as possible, draw up an approximate estimate of the supplies of nitrate of soda as required by each of the Governments parties hereto and approved by the said Executive. Such estimate shall show the requirements over a specified period of [time] and the dates on which such supplies are required, and shall also distinguish between the various uses to which the required material is to be put. The proportion which the requirements of each Government bear to the sum of the requirements of all the Governments shall, for the purpose of this agreement, be termed the ascertained proportion for each country.

6. The total purchases for all requirements shall be allocated as nearly as practicable on the basis of the ascertained proportions respectively, provided that the requirements for the manufacture of explosives shall have preference over all other requirements in proportion to the respective requirements for the purpose of the parties hereto and of other Governments at war with Germany to whom allotments shall have been made.

7. The ascertained proportion of any party may be reduced by mutual consent at its option and may from time to time be increased, having regard to the total stocks of nitrate of soda held by the

[1] In his telegram of Dec. 11, 11 a. m., the Consul General reported the following additional clause: "It cannot be expected that each Government will be represented by two delegates but that each active delegate may have a substitute to attend meetings when their principal delegate for any reason is prevented from attending, each Government represented having one vote in the Executive." (File No. 825.6374/65.)

respective Governments concerned and in accordance with the relative urgency of their needs and with the amount of tonnage at their disposal.

8. The Nitrate of Soda Executive shall allocate purchases in an equitable manner in accordance with the principles laid down in the foregoing articles.

9. In the event of any of the Governments concerned not desiring or being unable to avail themselves of the share of any of the purchases allocated to them the Executive may, with the consent of each of the other Governments, allocate the supplies so renounced amongst the other Governments in an equitable manner.

10. Subject to any general arrangements made between the competent departments of the Governments concerned, the transportation of and paying for the supplies of nitrate for each of the said Governments shall be undertaken by that Government.

11. The Nitrate Executive shall keep clearly in view the advantage of pooling all purchases and shall arrange for all buying for the Governments represented on the said Executive to be carried out under the direction and control of a director of purchases who will be duly appointed by the Executive and will act under their instructions. The Governments concerned will exercise such control over their respective nationals as will prevent them buying through any channel except through their representatives on the Executive.

12. The Nitrate of Soda Executive shall be furnished by the representative of each Government with full information as to its requirements and consumption of nitrate of soda, as to the stocks in their respective countries, and with any other information necessary for the performance of their functions.

13. The [expenses] of the Nitrate of Soda Executive shall be provisionally borne by the parties hereto in proportion to the respective allocations of nitrate of soda but quarterly adjustments shall be made so that the expenses shall be divided in proportion to the actual purchases by the respective parties. In cases of sales to or purchases for others than parties hereto an addition to the price charged shall be made, to cover expenses.

14. Each of the Governments represented on the Executive shall make its own arrangements as to final purchases allocated to it by the Executive, it being clearly understood that both allocation and financial arrangements shall precede purchases and that all actual contracts are signed on behalf of that Government in whose favor the contract is made.

SKINNER

File No. 825.6374/65

The Secretary of State to the Consul General at London (Skinner)

[Telegram]

WASHINGTON, *December 15, 1917, 6 p. m.*

Replying to your December 8, 10 and 11,[1] you are authorized to sign on behalf of the United States the proposed nitrate agreement

[1] The telegram of Dec. 11 not printed.

as reported by you on the following understanding, to be previously notified by you to the other parties.[1]

Clause 1: The control of the Executive shall not cover negotiations with the Chilean Government regarding German *oficinas*, with which the Government of the United States reserves the right to deal on the basis outlined in the 6th paragraph, Department's December 4,[2] it being understood that all nitrate so secured will go into the pool. These negotiations are dependent upon supplying oil from the United States, and financial arrangement under discussion between the United States and Chile, and other considerations which make it essential that they should be under the direction of the United States Government.

Clause 2: The United States Government hopes that the Japanese Government will be represented upon the Executive and will make representations to that effect through the American Ambassador at Tokio.[3] Your suggestion about an active delegate and substitute is approved.

Clause 3: The purchase of the amount required for use in the United States will be made by Dupont, Grace, Wessel Duval, and Gibbs in proportion to their proper share of United States imports under instructions from the Executive communicated to them from time to time through the director of purchases, and each of these firms will carry through in the usual way, on its own credit, the purchases made by it, subject to adjustment of price on pooling basis. The reason for this arrangement in the case of the United States is that we have no available appropriation with which to finance these purchases, except the Agricultural Department's appropriation for its 100,000 tons, and it is essential that these transactions should be financed and carried out through the usual business channels.

Clause 5: The approximate estimate already notified to the Executive of 1,800,000 tons required for use in the United States next year is not to be subject to reduction by the Executive without the consent of the United States Government. This reservation is made necessary by reason of the new provision subjecting this estimate to the approval of the Executive. In this connection it will be noted that this estimate is less than 600,000 above the 1916 United States importations, and 500,000 tons of this increase are required for munitions, in the increased production of which all of the Allied powers are interested, and 90,000 tons for sulphuric acid and fertilizers, the use of which in this country is for the mutual benefit of all concerned.

[1] In his telegram, Dec. 20, 1917, 11 a. m., the Consul General reported: "Nitrate agreement signed December 19." (File No. 825.6374/69.)

[2] *Ante*, p. 676.

[3] In his telegram, Jan. 16, 1918, 12 noon, the Consul General reported: "Japan joins Nitrates Executive." (File No. 825.6374/95.)

Clauses 10, 11 and 14: See statement under clause 3 and previous general instructions, and also Department's December 4, paragraph 3, as supplemented in its December 6 [1] and your December 8.[1]

. . . . . .

LANSING

THE FAR EAST IN RELATION TO THE WAR

Negotiations Concerning the Exportation of Steel from the United States to Japan and the Chartering of Japanese Ships—Negotiations Concerning Advantages to Be Accorded China by the Allied Powers and Measures to Be Taken by China as a Belligerent; Limited Participation of the United States—Allocation of German and Austrian Ships Seized by China and Siam—Discussions Regarding the Proposed Dispatch of Chinese Troops to Europe; Consideration of a Request for Japanese Troops—Assurance by the Chinese Government, September 28, as to Retention of Control of Its Military Resources—Arrangements for the Patrol of Waters about Hawaii by a Japanese Cruiser

File No. 694.119/24

The Japanese Ambassador (Sato) to the Secretary of State

NOTE VERBALE

In the copy of the substance of a telegram received from Viscount Motono on July 12,[2] which I handed on the following day to Mr. Long [3] in the absence of you and Mr. Polk, the Japanese Government expresses its earnest desire that the United States Government would take the most generous course as to the exportation of iron and steel materials to Japan, inasmuch as the embargo on such articles would affect enormously all branches of industry in Japan and particularly the construction of ships including those for Allied nations and, further, the manufacture of munitions of war. It was also requested that such articles as were covered by outstanding contracts were given especial attention to avoid unforeseen losses and damages to the parties concerned. From verbal assurances on the part of your Department and the note which Mr. Polk, acting as the Secretary of State, was good enough to address me under date of July 21,[2] I am satisfied that the American Government is kindly taking these points into consideration in formulating their course in the execution of the President's proclamation issued on July 9, last.[4]

However, since it was feared lest the steel and iron embargo of your Government might entail immediate, far-reaching and detrimental effects on the industry and commerce of Japan and since the instruction of the President to the Honorable the Secretary of Com-

[1] *Ante*, p. 677.
[2] Not printed.
[3] Breckinridge Long, Third Assistant Secretary of State.
[4] Vol. II, p. 903.

merce on August 2, prescribes that "all shipments to those nations associated with the United States in the war are . . .[1] to be licensed freely . . .[1] except iron and steel plates, pig iron, iron and steel scrap and steel billets for which licenses shall be granted only in case said articles are destined for actual war purposes or will directly contribute thereto," and also that "licenses . . .[1] will be granted for shipments of all iron and steel plates and structural shapes," which were to be completely made up and manufactured on or before August 10, 1917, I have the honor, acting under the instruction of Viscount Motono, now to approach you with the earnest request of the Japanese Government for a specific assurance from the American Government that American manufacturers of steel and iron materials will be permitted to fulfill the Japanese demands at least to such an extent as would secure the Japanese industry, especially the construction of ships, against coming to a standstill. In this connection, it being deemed most important that your Government be well informed as to the real situation of affairs in Japan, I beg to record a few facts bearing on the Japanese demand for steel and iron materials.

1. There are about 270 steel vessels with more than 1,000 tons actually in the course of construction or proposed to be constructed. Their total tonnage will aggregate about 1,100,000 tons. Of these, 34 vessels representing about 206,000 tons have already been sold to the Allied nations.

2. Four hundred twenty thousand odd tons remain as yet undelivered of the amount covered by the outstanding contracts between Japanese private concerns and American manufacturers. This comprises materials to be allotted to the construction of the ships under contract with Allied nations. The rest is for vessels urgently needed by Japan for transportation purposes. It is estimated, further, that in the next twelvemonth about 300,000 tons will have to be newly ordered from the United States.

3. Japan needs about 10,000 tons of pig iron for military and industrial purposes.

I feel sure that the permission by your Government of exporting the materials to the Allied nations with certain exceptions that they are to be allowed to go only when they are for actual war purposes or will directly contribute thereto, has relieved the mind of the Japanese Government and people in no small measure. However, it is sincerely desired that the American Government will submit the above itemized circumstances to its full consideration and see its way to supplying the Japanese demands as approximately

[1] Omission indicated in the original.

as possible to the figures quoted, if it be impossible to satisfy them entirely on account of internal necessities of the United States which is fully appreciated by the Japanese Government.

WASHINGTON, *undated.*

[*Received August 16, 1917.*]

File No. 694.119/3

The Chargé in Japan (Wheeler) to the Secretary of State

[Telegram]

TOKYO, *August 16, 1917, 6 p. m.*

[*Received August 17, 7 a. m.*]

My telegram of August 12, 8 p. m.[1] On the 13th instant a committee appointed at a conference of thirty-five of the shipbuilding dock and trading companies of Osaka and Kobe came to Tokyo and put into my hands a memorial reciting that the American ban on export of steel will lead to closing of Japanese factories employing many hundred thousands of workmen in ship, house and bridge construction, thus affecting almost every phase of industry, that it will make impossible completion of vessels under construction for Allies or which may be sold or chartered to Allies and would cause shortage of internal transporting capacity thus necessitating withdrawal of bottoms now in Allies' service. Local office further states that sale and charter contracts in Japan are in an abnormal condition, ownership or charter rights being sold and resold before construction is begun so that although the greater number of ships now building will go eventually to the Allies absence of direct connection between builder and final owner makes it impossible to furnish satisfactory certificates. Memorial closes with a prayer that license be given for the export of materials already under forward contract between American steel companies and Japanese shipbuilders.

I have shown this memorial to Viscount Motono who said that he considered it a true representation of the situation and that he would be grateful if I would cable you its contents. He suggested that in the case of vessels under construction if export license be given covering material, the Imperial Government might furnish any required guarantees.

I am confident that for any concession further than this the Imperial Government will be prepared to propose terms. Viscount Ishii has been directed to broach the matter to you.

WHEELER

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[1] Not printed.

File No. 694.119/17

The British Embassy to the Department of State

MEMORANDUM

As it is not possible for Great Britain to supply Japan with raw materials, it is not now proposed to negotiate further in obtaining Japanese tonnage for the British Government, and the acquisition and employment of Japanese tonnage can be left entirely in the hands of the United States Government together with the supplying of all ship-building material.

The basis on which these negotiations should be made is obviously one in return for raw materials for ship-building; the present position of tonnage is so serious that it is absolutely essential that every Japanese ship should be obtained to trade in Allied interests. . . .

As there are only a few Japanese steamers actually chartered by the Allies for European trade, it is hoped that the United States Shipping Board will not now raise any objection with regard to the rechartering of these steamers on the expiration of their charters.

As His Majesty's Government are resigning all claims to secure Japanese tonnage excepting those few charters mentioned in the preceding paragraph, it is also hoped that the United States will be able to give further assistance to France, Italy, Russia and Great Britain by the use of their own ships as well as neutral vessels which are at present on charter to United States firms, and also agree with the views of the British Government with regard to the present Norwegian tonnage arrangements.

WASHINGTON, *August 24, 1917.*
[*Received August 28.*]

[For a summary account of steel and shipping negotiations with Japan prior to November 18, 1917, see the enclosure to despatch from the Ambassador in Japan, No. 15, December 3, 1917, *post*, page 713.]

File No. 763.72/6744

The Minister in China (Reinsch) to the Secretary of State

[Telegram [1]]

PEKING, *September 5, 1917, 12 p. m.*
[*Received September 6, 7.30 a. m.*]

At a meeting of the Allied representatives this morning it was decided to present to the Chinese Government on the 8th proximo [2]

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[1] Slightly corrected in accord with the text later received by pouch. (File No. 763.72/7410.)

[2] According to the Minister's despatch No. 1635 of Sept. 27, this note was presented on Sept. 8. (File No. 763.72/7410.)

a joint note of the substance of which the following is a translation:

Foreign Office having told the representatives of Belgium, France, Great Britain, Italy, Japan, Portugal, and Russia that it would be glad to resume the negotiations already entered upon in the months of February and March last with a view to the entry of China into the war, the representatives of the said powers have the honor to make known to the Foreign Office, on the one hand, the advantage that they are disposed to accord to China in recognition of its spontaneous entry into the war, on the other hand, the measures that they will be glad to see taken by China in its own interests.

SECTION 1

A. The representatives of the powers above mentioned are agreed upon the principle of postponement without interest of the annual installments of the 1901 indemnity during a period of five years beginning with the first day of the month following the date of the present arrangement.

Italian Government, however, for reasons of internal administrative change, cannot yet fix the amount of the portion of the indemnity of which it is disposed to grant postponement.

Furthermore, the share of Russia in the 1901 indemnity being much greater than that of the other Allies, the Russian Government, desiring to participate with them in equal measure in the testimony of friendship which it is proposed to give to China, consents to the postponement of such a portion of the annual installments due to it as is equivalent to the average of the sacrifices made by the other Allies. This average calculated upon proportional shares of each of the great Allied powers would be 9.5926 per cent of the total of the annual installments paid by China to all powers. Russia, which is interested in the indemnity in the proportion of 28.971 per cent, therefore consents to the suspension of such payments as are due it during five years on the same conditions contemplated for the other Allies in the said proportion of 9.520 which it declares itself willing to bring up to 10 per cent in order to make round figures.

It will be with the understanding that the German and Austro-Hungarians must not on the other hand benefit from any payment on account of 1901 indemnity, the treaty of 1901 being, as regards Central Empires, forever abrogated as to this point.

B. The representatives of the powers above mentioned accept the principle of the increase of the maritime customs duties to an effective rate of 5 per cent *ad valorem*: a commission including Chinese delegates to be intrusted with the modifications to be adopted in the system of customs tariff handling all interests of all the contracting parties and the Allied Governments lending Chinese Government their good offices in order to obtain the acceptance by the neutral powers of this increase in the maritime customs duties.

C. The representatives of the powers above mentioned consent to the temporary access of Chinese troops to the reserved zone of Tientsin so far as may be necessary for the surveillance over the Germans and Austro-Hungarians following a request by the Chinese Government acceded to by the Allied Legations.

SECTION 2

The representatives of the powers mentioned above are agreed in recommending to China:

A. The promulgation by the Chinese convention of a general tariff for all countries without treaties.

B. Prohibition of Chinese from all trading with enemy subjects.

C. Internment or expulsion of the enemy subjects whose names will be indicated by the Allied Legations; suppression of the right of meeting for enemy subjects; interdiction of navigation and of the use of wireless telegraph apparatus and confiscation of all objects of contraband.

D. Putting under sequestration of German and Austro-Hungarian commercial firms, complete liquidation of which will be effected.

E. An understanding with the representatives of the Allied Governments in interests of the foreign trade of China and with regard for the interests of the Allies to organize in the form of international concessions former German and Austro-Hungarian concessions in the ports of Tientsin and Hankow.

F. Placing at the disposal of the Allies, against payment for transfer or charter of the enemy merchant vessels seized in Chinese ports.

G. Collaboration with the Allied Legations with a view to drawing up regulations similar to those which are in force in the other countries at war with Germany or Austria-Hungary.

H. Cooperation as complete and effective as possible on the part of China in the operations of the Allies.

Representatives of the Allies express the hope that the American Government may authorize me to declare its adherence to the terms of this note preferably at the time of its presentation to the Chinese Government. I assume that such an adherence would be subject to a reservation in regard to section 1, paragraph C, referring to an agreement to which we are not a party.

REINSCH

File No. 763.72/6745

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *September 7, 1917, 6 p. m.*

Your September 6, 11 a. m.[1] The British Embassy here informs the Department that according to a telegram from the British Chargé d'Affaires at Peking the Chinese Cabinet has decided to charter seized German and Austrian vessels to Chinese merchants who will be permitted only to sub-charter to Allies.

The British Government proposes that if the American Government will concur, the British Chargé d'Affaires at Peking will be

[1] Not printed.

instructed to arrange that one-third of the enemy tonnage including the *Albenga* be sub-chartered to a British firm or to the British Government, these vessels to be allocated for employment by the Inter-Allied Chartering Committee equally among British, French and Italian Governments. The United States will then be left to arrange with the Japanese for the sub-chartering of the remaining two-thirds. The British Embassy states that the Chinese Government has refused to reconsider its decision not to sell the enemy ships but has promised that the British Government in conjunction with the Japanese Government shall be given first refusal to sub-charter.

The American Government is deeply concerned in the matter and feels that its interests also should have consideration.

Please very discreetly investigate and report at once upon the following points.

1. If the American Government accepts the proposal of the British Government as outlined above will China acquiesce?

2. If the American Government accepts the British proposal will Japan in your opinion acquiesce in our obtaining one-third?

3. The Department is informed that the Austrian vessels *Bohemia*, *Silesia* and *China* were purchased before China entered the war by the Mohawk Navigation Co., an American corporation, but the purchase price has not yet been paid to the Austrian agents. The Mohawk Co. states it is willing to pay the purchase price to China if delivery of boats is made. Will the rights of the corporation be recognized in any way?

4. In your opinion would it be possible for the United States without negotiating with any powers but China to obtain from the Chinese Government one-third of the enemy tonnage upon the assurance that it will be used in the service of the powers at war with Germany and upon the understanding that Great Britain and Japan will each receive one-third?

LANSING

File No. 763.72/6811

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *September 12, 1917, 6 p.m.*
[*Received September 12, 5.10 p.m.*]

Your telegram of March 26, 4 p. m.[1] The Chinese Foreign Office gives oral assurance that educational program of 1918 will in any case be continued unchanged and promises that this assurance will

[1] Supplement 1, p. 422.

be formally confirmed in writing if and when the United States Government announces its acceptance of postponement of indemnity payments as proposed in the note of the Allied Ministers of September 8 as reported in my September 5, 12 p. m.

REINSCH

File No. 862.85/106

The Secretary of State to the Chargé in Siam (Arnold)

[Telegram]

WASHINGTON, *September 13, 1917, 4 p.m.*

Your August 7, 10 a. m.[1] Telegraph exact status of situation. American Government desires to be considered in any apportionment of these steamers and you will so notify Siamese Government. Department understands that it is proposed to allot 35 per cent to the British, a similar amount to the French, and 30 per cent to the Japanese, with the understanding that the latter will utilize the tonnage or its equivalent in relieving the war needs of the Allies, to which restriction the Japanese object. American Government especially anxious to share in the distribution of this tonnage and you will keep Department informed of any developments that may give this Government opportunity to participate.

LANSING

File No. 763.72/6811

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *September 20, 1917, 4 p. m.*

Your September 5, midnight, and September 12, 6 p. m. The American Government is not disposed to make any objections to the proposed communication to the Chinese Government upon the following understanding: With regard to section 1, A, that the Department is unable affirmatively to agree to the postponement of indemnity payments, but will make no objection, provided the Chinese Government will agree to support the Tsing Hua College and the educational mission and students in the United States on the present basis. With regard to section 1, B, that the present specific tariff having been adopted as a provision of the present commercial treaty between the United States and China, it can be changed in so far as we are concerned only with the consent of the Senate which the Department will earnestly strive to obtain, and with regard to section 2, F, that an exception be made as to the Austrian vessels pur-

[1] Supplement 1, p. 454.

chased by Americans prior to China's declaration of war. The American Government is not a party to the agreement excluding Chinese troops from Tientsin referred to in section 1, C.

The proposal in section 2, A, is considered desirable. As to the measure proposed in section 2, E, this Government would of course make no objection to the seizure by China of German national property.

Since Americans in Germany are not interned nor their property sequestrated and since Germans in the United States, unless guilty of hostile acts, are not interned nor deprived of their property the American Government is not in a position to advise China to adopt the measures proposed in section 2, B, C, and D.

For your confidential information and guidance.

The American Government is unable to declare its adherence to the proposed note as a whole because the United States is not at war with Austria-Hungary and because the law in this country makes it impossible to accede to some of the measures proposed.

While desirous of cooperating in a general way with the Governments at war with Germany, it is not always possible for us to support their policies entirely since our situation as belligerents is not identical with theirs.

LANSING

File No. 763.72/7089

The British Embassy to the Department of State

No. 339 MEMORANDUM

The British Embassy, with reference to their memorandum of September 10 [*8?*][1] relative to the allocation of enemy ships seized by the Chinese Government, have now received a further telegram from Mr. Secretary Balfour, in which it is stated that His Majesty's Government fear that it will be impossible for them to accept the suggestion to exclude from the allocation the three Austrian ships said to have been purchased by the Mohawk Co. It is pointed out that to recognize the right of a private company to earmark these vessels, which are among the most valuable of the enemy ships in Chinese waters, would have the effect of depriving the Allies of their legitimate share of the tonnage offered, and although the United States Shipping Board might consent to employ the three vessels in question in Allied interests, the admission of the claim of the Mohawk Co. would operate to assign to the United States considerably more than their proportionate share of the tonnage.

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[1] Not printed.

Moreover, there are obvious objections to the approval of private negotiations instituted without prior consultation between the Governments concerned, and if the question is raised now, the Japanese Government will no doubt insist on the immediate recognition of similar purchases by their subjects. . . .

In order, however, to expedite the acquisition of this tonnage, which is a matter of the greatest urgency, His Majesty's Government invite the consent of the United States Government to the following scheme of allocation, which is also being put before the Government of Japan, viz.:

The United States Government to receive the S. S. *China* 6,026 tons, and *Silesia* 5,174 tons, total 11,200 tons.

The Japanese Government to receive the S. S. *Albenga* 4,249, *Sikiang* 1,840, *Georg* 199, *Bremen* (tug) 273, *Gertrud* 816, *Bohemia* 4,284, a total of 11,661 tons.

His Majesty's Government to receive S. S. *Deike Rickmers* 4,176, *Helene* 1,237, *Käthe* 1,962, *Sexta* 1,643, *Triumpf* 1,242, *Keong Wai* 1,777, total 12,037 tons.

The steamships *Mei Dah* and *Mei Lee* are omitted, as it is understood that they are only suitable for river work, and the Chinese Government may wish to retain them.

With reference to the portion suggested for Great Britain, it should be observed that this would be handed over to the Inter-Allied Chartering Executive, to be chartered equally between France, Italy and Great Britain.

His Majesty's Government are stipulating that rates to be paid by Allied Governments must not be higher than those recognized by the Inter-Allied Chartering Executive, and they hope that the Chinese Government will permit vessels to be chartered at a lower rate than say 30/– a month reckoned on a time charter basis, as this would enable the Chinese Government to make some contribution to the prosecution of the war.

WASHINGTON, *October 1, 1917.*

File No. 763.72/7080

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *October 2, 1917, 1 p.m.*
[*Received October 2, 11.55 a.m.*]

Premier Tuan personally and through his Vice Minister of War, Hsu, has had long conversation with me on the question of sending

troops to Europe. He considers it inopportune to announce an extensive program because of probable diplomatic opposition but he is willing to begin immediately preparations for sending to Europe from 10 to 50 divisions, 12,000 men each. However, he will be able to do this only if the United States can finance the expenses of armament and transportation. If the United States should decide to make available these forces it would be the intention of the Prime Minister to begin by fitting out at least 10 divisions and as these were shipped to Europe to continue immediately with the next contingent. To support this military action he would propose to establish steel plant and to mobilize arsenals and dockyards so that within a year a large part of the needed supplies and ships could be manufactured in China. He estimates that the expenses for the complete program would be $200,000,000 Mexican.[1] At the same time the part of the army maintained in China would be put on a basis of greater efficiency so as to be useful as a source of future forces for which additional funding would be required.

The Prime Minister requested me to lay this matter before the American Government for its careful consideration and decision. He desires to proceed step by step without previous announcement of the total policy.

I have no doubt that if the United States were to finance this military development it could be satisfactorily arranged that its desires in respect to equipment, training and other incidental matters would be fully respected.

REINSCH

File No. 763.72/7080

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *October 4, 1917, 7 p. m.*

Your October 2, 1 p. m. Please verify your statement that expense of complete programme would be $2,000,000 Mexican.[2] The matter is having careful consideration by this and other departments concerned. It must be understood, however, that any assistance by the United States will be given only after consultation and agreement with co-belligerents and where possible with their cooperation.

LANSING

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[1] As first received, $2,000,000; corrected to $200,000,000 by telegram, Oct. 8. (File No. 763.72/7166.)

[2] See footnote 1, *supra*.

File No. 763.72/7182

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *October 6, 1917.*

MR. SECRETARY OF STATE: My Government informs me that our General Staff is now engaged in studying the best manner of utilizing China's assistance in promoting the cause we are jointly defending.

At present our military authorities are planning to use about 40 battalions of Chinese pioneers.

The transportation of the first contingent would be accelerated and the number of battalions to be brought later to Europe would be increased if Japanese tonnage would supplement that which we shall send from France or may procure in China.

Relaying at Port Said would be considered and the Chinese troops would be taken out of the Japanese steamers. The Allied vessels on their way back from Salonica without passengers would pick them up and carry them to destination. Under these conditions insuring safety for their own ships, it seems that the Japanese might put forth an earnest effort at sea.

My Government has telegraphed to our Ambassador to Japan about this, but it would be very glad if Your Excellency would also obligingly assist it by considering this question among those that are being discussed between the Governments of the United States and of Japan, with respect to the supplies of American steel wanted for Japanese naval construction.

Be pleased to accept [etc.] JUSSERAND

File No. 862.85/145

The Secretary of State to the Minister in China (Reinsch)[1]

[Telegram]

WASHINGTON, *October 13, 1917, 3 p. m.*

Your cipher telegram September 10, 8 p. m.[2] The Department has agreed with the British Government to the following scheme of allocation of the German and Austrian vessels in China: [Here follows the latter half of the British Embassy's memorandum of October 1.[3]]

Consult with your British colleague and endeavor to secure this arrangement. For your guidance the Department is opposed to the recognition of the claims of any private parties that they have pur-

[1] The same, on the same date, to the Ambassador in Japan. (File No. 862.85/181.)

[2] Not printed.

[3] *Ante*, p. 690.

chased any of these vessels. You will endeavor to prevent recognition of such claims. LANSING

File No. 763.72/7373

The French Ambassador (Jusserand) to the Secretary of State

[Translation]

WASHINGTON, *October 16, 1917.*
[*Received October 18.*]

MR. SECRETARY OF STATE: My Government has informed me of the purport of the answers made by the Chinese Government to the propositions presented by the Allied Ministers at Peking and no doubt already reported to Your Excellency by the Minister of the United States to China.[1]

They are to the effect that the Chinese Government sets aside the Allied requests for a total prohibition against trade with the enemy by Chinese, the unconditional internment of enemy subjects, and the liquidation of commercial houses (questions 2, 3, 4[1]). It further attempts to avoid any undertaking with regard to the participation of the Allies in organizing enemy concessions (question 5[1]). On all other points full satisfaction is promised.

As military assistance from China can be but limited, the Government of the Republic holds that the Allies must strive to obtain effective aid from her on economic lines by putting an end to the injury inflicted on Allied commerce by the Germans. It further deems it imperative that measures be taken to intern or expel enemy subjects so as to prevent their carrying on intrigues that are as harmful to the maintenance of order in China as to the obvious interests of the Allies.

I am asked to submit the foregoing considerations to Your Excellency and to request that, if you deem it expedient, you kindly instruct the American Minister at Peking with a view to obtaining from the Chinese Government a satisfactory answer to questions 2, 3 and 4 that have been put to it by the Allied Ministers.

Be pleased to accept [etc.] JUSSERAND

File No. 862.85/195a

The Secretary of State to the Minister in Siam (Ingersoll)

[Telegram]

WASHINGTON, *October 20, 1917.*

Your September 17, 11 a. m.[2] This Government has agreed to following apportionment of steamers taken over by Siamese Govern-

[1] See telegram from the Minister in China, *ante*, p. 685; sec. 2, pars. B, C, D, and E of that document are referred to here as questions 2, 3, 4, and 5. See also despatch No. 1672 from the Minister in China, *post*, p. 701.

[2] Not printed.

ment: 25 per cent each to Great Britain, France, Japan, and the United States. Embassy at Tokyo has been instructed accordingly.

LANSING

File No. 763.72/7406

The Minister in China (Reinsch) to the Secretary of State

No. 1652 PEKING, *September 28, 1917.*
[*Received October 22.*]

SIR: I have the honor to enclose copies of an exchange of notes between the Legation and the Minister of Foreign Affairs to be effected to-day, which I forward in order to have them in your hands as soon as possible.

In accordance with your telegraphic instructions of March 26, 1917, 4 p. m.[1] I have since the receipt of same kept before the Chinese Government the desirability of making such a declaration to the American Government. Their consent has now finally been secured. While it may be impossible to protect the Chinese Government against the infiltration of foreign influences, the present exchange of notes will, I believe, serve to strengthen and support the independence of China. The substance of the reply as communicated to you has been orally agreed to and is to be handed to me later to-day but after the fast mail shall have closed. Should it not be delivered in this form I shall give you telegraphic information.[2]

I have [etc.] PAUL S. REINSCH

[Enclosure 1]

The American Minister (Reinsch) to the Chinese Minister of Foreign Affairs (Wang Ta-hsieh)

No. 658 PEKING, *September 28, 1917.*

EXCELLENCY: In behalf of my Government I have the honor to request a statement as to the policy of Your Excellency's Government in the matter of any use which may be made of the Chinese military forces, equipment, arsenals, and munition factories during the present war, particularly whether or not these agencies are in whole or in part to be placed under the control of foreign powers.

I avail myself of this opportunity to renew [etc.]

PAUL S. REINSCH

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[1] Supplement 1, p. 422.

[2] Receipt of the note of the Minister of Foreign Affairs, in the terms of enclosure 2 and under date of Sept. 28, is reported in the Minister's despatch No. 1656, Oct. 8, received Nov. 19. (File No. 763.72/7780.)

[Enclosure 2]

Proposed Reply of the Chinese Government

SUBSTANCE OF THE REPLY WHICH THE CHINESE GOVERNMENT HAS AGREED TO SEND TO THE NOTE NO. 658 OF SEPTEMBER 28

The Chinese Government will retain complete control of its military forces, equipment, arsenals and munition factories; any arrangements which may be made for giving military assistance to the common cause in this war will be carried out by the Chinese Government itself.

File No. 763.72/7857

Memorandum of the Assistant Secretary of State (Phillips) to the Secretary of State

October 23, 1917.

DEAR MR. SECRETARY: Mr. de Laboulaye [1] called this afternoon in behalf of the French Ambassador and expressed the Ambassador's regret that he could not call himself upon you to-day. The Embassy has received an urgent telegram from Paris saying that the British and French Governments are prepared jointly to address the Japanese Government with the request that Japan should send troops to the west front next spring and summer. The French regard this of the highest importance, but do not wish to take any further step in the matter until they are assured that there will be no objection raised by the Government of the United States.[2]

Sincerely,

W. PHILLIPS

File No. 763.72/7182

The Secretary of State to the French Ambassador (Jusserand)

No. 1978 WASHINGTON, *October 24, 1917.*

EXCELLENCY: I have the honor to acknowledge the receipt of your note of October 6, 1917, wherein, with reference to the question of utilizing to the best advantage China's assistance in the war, you advise me of the instructions sent by your Government to the French Ambassador at Tokyo with a view to obtaining additional Japanese tonnage for the transportation of Chinese for service with the Entente armies, and express the hope of your Government that the Government of the United States will assist by bringing this question into the number of those that are being discussed between the Governments of the United States and of Japan.

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[1] Lefebvre de Laboulaye, Second Secretary of the French Embassy.

[2] Memorandum attached: "October 26, 1917. I told De Laboulaye to-day that although the United States would raise no objection to the contemplated step, we were not convinced that it was a wise one to take. W.P."

In reply I have the honor to say that, as the matters touched upon in your note involve the participation of China in the war, the whole subject is having the attention of the Department.

Accept [etc.] ROBERT LANSING

File No. 763.72/7420

The Secretary of State to the Japanese Ambassador on Special Mission (Ishii)

WASHINGTON, *October 30, 1917.*

EXCELLENCY: I have the honor to advise that the Honorable the Secretary of the Navy has informed me that an arrangement has been entered into between the Chief of Naval Operations, of the Department of the Navy, and Vice Admiral Takeshita, of the Imperial Japanese Mission, which contemplates the withdrawal of the U.S.S. *Saratoga* from the waters around the Hawaiian Islands and the substitution therefor of a cruiser of the Imperial Japanese Navy of equal fighting value and speed.

I now have the honor to request that you will bring the matter to the attention of your Government and will ask that such a ship of the Imperial Japanese Navy be detailed for the purpose indicated.

Accept [etc.]

For the Secretary of State:
FRANK L. POLK

File No. 763.72/7538

The Japanese Ambassador on Special Mission (Ishii) to the Secretary of State

WASHINGTON, *October 30, 1917.*
[*Received October 31.*]

SIR: I have the honor to acknowledge the receipt of your note under even date, advising me that the Honorable the Secretary of the Navy has informed you that an arrangement has been entered into between Vice Admiral Takeshita, of the Imperial Japanese Mission, and the Chief of Naval Operations, of the Department of the Navy, which contemplates the withdrawal of the U.S.S. *Saratoga* from the waters around the Hawaiian Islands and the substitution therefor of a cruiser of the Imperial Japanese Navy of equal fighting value and speed, and requesting me that I will bring the matter to the attention of my Government and will ask that such a ship of the Imperial Japanese Navy be detailed for the purpose indicated.

In reply, I have the honor to inform you in the name of the Japanese Government that they will at once take such steps as they

deem proper in dispatching to the region a man-of-war of the Imperial Japanese Navy which is qualified for the purpose indicated in your note.

I take this opportunity [etc.] K. ISHII

File No. 763.72/7562

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *November 4, 1917, 8 p. m.*
[*Received November 5, 1.05 a m.*]

The Prime Minister through the Vice Minister of War has just given me written assurances that the Chinese Government has decided to send 40,000 soldiers to Europe as a beginning. The Prime Minister trusts that on the basis of the assurances to the Chinese Government at Washington, financial assistance will now speedily be accorded so that the above decision can be carried out.

French Legation has greatly interested itself in this matter. French Chargé d'Affaires informs me that France has 50,000 tons of shipping available in the Far East before many days which could be used toward transporting the troops. The other Allied Legations are also greatly interested. It is suggested that the troops might be transported to Canada or the United States and there armed. Favorable action by the American Government is earnestly hoped for.

REINSCH

File No. 763.72/8471

The British Embassy to the Department of State

MEMORANDUM

With reference to the Embassy memorandum of October 1, 1917,[1] regarding the allocation of enemy ships in China and Siam, the following is the substance of telegrams which have recently been exchanged between the Foreign Office and the British Legations in Tokyo, Peking, and Bangkok. The Japanese Government point out that their desire to obtain a share of tonnage both in China and Siam was in order to supply the deficiency in their means of transportation, occasioned by the sale and charter of Japanese ships. Consequently a share of ships from Siam, subject to conditions that they are devoted to war purposes in European waters, would not meet their requirements.

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[1] See *ante*, p. 690.

The Japanese Government, therefore, are prepared to offer no objection to His Majesty's Government acquiring the whole of Japan's share of vessels in Siam, provided that His Majesty's Government approve the following proposal as to the allocation of vessels in China and Japan maintaining absolute liberty of action with regard to her share.

Japan gets the *Albenga*, *Bohemia*, *Sexta*, and *Triumpf*, total 11,418 tons.

Great Britain gets *Deike Rickmers*, *Helene*, *Käthe*, and *Keong Wai*, total 9,152 tons.

United States gets *China*, *Silesia*, total 11,200 tons.

If the vessels *Gertrud* and *Georg* are found to exist, the Japanese Government have no objection to their acquisition by His Majesty's Government.

It will be noted that this does not affect the vessels which are to be assigned to the United States, and which still remain as before the *China* and *Silesia*.

The British Government are prepared to accept the offer of the Japanese Government's share of vessels in Siam, but in order to obtain agreement with the Chinese Government regarding Chinese enemy ships, have been forced to hand over the steamship *Keong Wai* to Chinese merchants, and trust therefore that the Japanese Government will agree to the *Sexta* being transferred to His Majesty's Government's share in place of the steamship *Keong Wai*.[1] This would still give Japan and the United States a larger amount of tonnage than His Majesty's Government will receive, whilst they have to meet out of their share pressing requirements of France and Italy.

Assuming that the Japanese Government accept the above settlement as regards both Chinese and Siamese enemy ships, the following distribution of Siamese ships is proposed:

1. *Landrat Schieff*, and *Petchaburi* to America.
2. *Pitsanulok* and *Patano* to France.
3. *Trautenfels* to England.

In the case of the S.S. *Kohsichang* and *Chiengmai*, which should have been allotted to Japan under the original proposal, the British Government are suggesting to the French Government that the Inter-Allied Chartering Executive should, according to the war needs of the moment, allot them to Italian or French trades.

WASHINGTON, *November 7, 1917.*

[*Received November 8.*]

[1] In a memorandum dated Nov. 22 (File No. 862.85/219), the British Embassy informed the Department of State that this transfer had been agreed to.

File No. 763.72112/5450

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *November 10, 1917, 12 noon.*
[*Received November 10, 11.20 a. m.*]

British and French representatives have received instructions to invite Chinese Government to cooperate in economic blockade of the Central powers. They assume that I have similar instructions. Your instructions are requested. REINSCH

File No. 763.72/7728

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *November 15, 1917, 5 p. m.*
[*Received November 15, 4.25 p. m.*]

Both the Chinese Government and the French Legation eagerly awaiting the decision of the American Government on the question submitted in my telegram of November 4, 8 p. m. As to the safest method of securing this important military support I have the honor to make the following suggestion. In view of the fact that in the case of a loan the Chinese Government naturally would desire to control the expenditure, direct assumption by the United States in behalf of the Allies of all the expense of the expedition would prove more satisfactory. Under this arrangement China would contribute the men, the United States would pay to the Chinese Government a lump sum to defray the cost of getting the troops to the port of embarkation in China and would thereafter directly provide in conjunction with the Allies for transport, arming, provisioning and payment of the troops. This arrangement would avoid all entanglements and possible criticism connected with a loan for this purpose and would offer to the Chinese a clean opportunity to do their part.

If concurrently financial assistance to be given by way of a loan for national efficiency purposes a definite understanding as to the application of the funds is most important.

REINSCH

File No. 763.72/7732

The British Ambassador (Spring Rice) to the Secretary of State

No. 505 WASHINGTON, *November 13, 1917.*
[*Received November 16.*]

MY DEAR MR. SECRETARY: On September 12 last you asked me verbally and unofficially whether it was intended to employ Chinese

as soldiers on the western front. I have now received a telegram from the Foreign Office stating that the question of using Chinese pioneers has been raised by the French and is being discussed with them.

The British War Office do not consider it advisable to proceed with the proposal of forming a combatant Chinese brigade until the programme of transporting Chinese labourers for the British Armies and pioneers for the French Armies has been completed.

Believe me [etc.] CECIL SPRING RICE

File No. 763.72112/5450

The Acting Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *November 17, 1917, 6 p. m.*

Your November 10, 12 noon. Please inform Department what is meant by economic blockade of the Central powers. The Department in its telegram of September 20, 4 p. m.,[1] in reply to yours of September 5, midnight,[2] explained that it was impossible to accede to certain measures proposed by other powers.

POLK

File No. 763.72/7782

The Minister in China (Reinsch) to the Secretary of State

No. 1672 PEKING, *October 15, 1917.*
[*Received November 19.*]

SIR: I have the honor to enclose copies of a memorandum from the Chinese Minister of Foreign Affairs to the Ministers of Great Britain, France, Russia, Japan, Italy, Belgium and Portugal, which was handed to the latter on October 6.[3] It contains the answer of the Chinese Government to the joint memorandum of the Ministers, which was communicated to you with my despatch No. 1635 of September 27.[4]

It will be seen that the Chinese Government answers in a friendly spirit, but does not yet commit itself to specific action except in the matter of promulgating a tariff for countries without treaties, and the establishment of so-called Sino-Foreign trade marts in the old German and Austrian concessions at Tientsin and Hankow. The Minister of Foreign Affairs has stated to me that for the time being

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[1] *Ante*, p. 689.
[2] *Ante*, p. 685.
[3] A copy of the Chinese text was received in the American Legation from the Ministry of Foreign Affairs on Oct. 12.
[4] Not printed; see the Minister's telegram, Sept. 5, 12 p. m., *ante*, p. 685.

the Chinese Government will take only necessary measures of regulation with respect to resident enemy subjects; herein it will follow the practice of the United States and Japan, taking protective measures only, and reserving for the future more general prohibition of trade and the general internment of enemy subjects. The views of the American Government on this subject, as expressed in your telegraphic instructions of September 20, 4 p. m.,[1] were at the time brought to the attention of the Chinese Government.

I have [etc.] PAUL S. REINSCH

[Enclosure—Translation]

The Chinese Ministry of Foreign Affairs to the British, French, Russian, Japanese, Italian, Belgian, and Portuguese Legations

The Ministry of Foreign Affairs has the honor to acknowledge the receipt of a memorandum stating that the Governments of the seven powers have severally agreed to the three measures proposed by this Government and to express the gratitude of this Government therefor. The eight measures which the seven Ministers proposed that the Chinese Government should put into force have been considered in detail and replies have now been drawn up as follows:

A. In reference to the promulgation of a general tariff for the countries without treaties—the same has been drawn up and is about to be promulgated.

B. Measures B and D are related. China now proposes to promulgate special regulations on the subject of the industrial enterprises and commercial establishments of enemy subjects. Where a Chinese inspection has shown that they should be closed they will be closed and officials appointed specially to administer them.

C. In reference to the matter of the Chinese Government taking strict protective measures against enemy subjects—if plots are discovered the plotters will be interned. It is now proposed to have the Ministry of the Interior draw up detailed regulations upon which all action will be based. In addition to the sequestration of enemy vessels and the confiscation at various times of wireless stations and contraband of war, severe measures will also be taken to prohibit the holding of meetings and the formation of societies.

E. The Chinese Government is now arranging to have the old German and Austrian concessions at Tientsin and Hankow thoroughly reorganized, so as to enable the nationals of the different powers residing therein to enjoy all commercial advantages as well as a system of local self-government, with the object of securing such

[1] *Ante*, p. 689.

a perfect organization as to constitute the said areas into model voluntarily opened Sino-Foreign trade marts. Attention will moreover be paid to the end of the war, in order to prevent the said areas from reverting to the status of special concessions.

F. The Chinese Government has already leased the detained enemy merchant vessels to the Ta Ta Kung Ssu. Except for those vessels kept by the Government for its own requirements, assistance will be given to the Allied powers to arrange special sub-leases from the Ta Ta Kung Ssu.

G. The Chinese Government in drawing up regulations will adopt the regulations now in force in the other countries in order to avoid a diversity of methods.

H. The Chinese Government will cooperate with the Allied powers to the extent of its power in respect to action in connection with the war.

The above measures having been decided upon by the Chinese Government will be separately put into force as conditions may determine, so that the wishes of the different powers may be met.

With compliments.

File No. 862.85/190

The Acting Secretary of State to the Ambassador in Japan (Morris)

[Telegram]

WASHINGTON, *November 19, 1917, 4 p. m.*

Department's October 13, 3 p. m.[1] and October 20, 2 p. m.[2] You are instructed to cooperate with the British Ambassador in endeavor to obtain a prompt reply to the proposal that Japan agree to the re-allocation of the ships in China and the distribution of ships in Siam on condition that the Chinese ships now assigned to Japan, namely, the *Albenga*, *Bohemia*, *Sexta* and *Triumpf*, be used by Japan without restrictions. POLK

Plans for the Deportation of Enemy Subjects from China to Australia; Support by the United States—Publication of the Russo-Japanese Secret Treaty of July 3, 1916

File No. 763.72114/3120

The British Embassy to the Department of State

No. 544 MEMORANDUM

The British Embassy are instructed to inform the Department of State that it appears from reports received by His Majesty's Gov-

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[1] See Department's telegram to the Minister in China, *ante*, p. 693.
[2] Not printed.

ernment from His Majesty's Minister at Peking, that the measures which the Chinese Government propose to adopt in regard to the disposal of enemy subjects and their treatment are neither adequate nor satisfactory.

The Chinese Government profess to base their attitude on the procedure adopted by the United States and Japan, but it is, in the opinion of His Majesty's Government, clear that owing to the existence of extra-territorial rights, the inexperience of Chinese officials and their lack of method, the control over the movements, activities and trade of enemy subjects in China could not be as efficient or complete as in those two countries.

His Majesty's Government have every reason to fear that if, as appears to be contemplated, enemy subjects are allowed to remain in the German and Austrian concessions or in the Shanghai settlement under some loose form of supervision by the Chinese authorities, there will be no guarantee that China will not continue to be as dangerous a centre of enemy plots, intrigues and propaganda as she was before she entered the war, and the British Embassy venture to remind the State Department that one of the avowed objects of the notes recently exchanged between the Governments of the United States and Japan, was to put a stop to the mischievous reports spread by enemy agents in China.

His Majesty's Government feel that the only safe means of securing their allies and themselves from these dangers being repeated, is for the representatives of the Allies at Peking to press the Chinese Government to consent to the general deportation of all enemy subjects now in China for internment in Australia.

The British Embassy are instructed, in urging the United States Government to send instructions in this sense to their representative at Peking, to lay special stress on the fact that if enemy subjects are permitted to remain in China, even under surveillance, they will certainly succeed in maintaining their trade relations with the Chinese and will, in all probability, be able to prevent the liquidation and sequestration of their businesses. The Allies will thus not only be deprived of one of the principal advantages, if not indeed the principal advantage, which they hoped to derive from China's entry into the war, but Germany, on the conclusion of peace, will be enabled speedily to recover her trade and influence in China.

WASHINGTON, *November 27, 1917.*

File No. 763.72112/5772

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *December 6, 1917, 8 p. m.*
[*Received December 6, 3.40 p. m.*]

Your November 28, 2 p. m.[1] The action refers to embargo on exports to Holland and Scandinavian countries. British and French Legations have asked the Chinese Government to cooperate.[2]

REINSCH

File No. 763.72114/3104

The French Embassy to the Department of State

[Translation]

WASHINGTON, *December 7, 1917.*
[*Received December 8.*]

MEMORANDUM

China has up to date evaded the question of a satisfactory engagement with respect to the situation of enemy subjects residing within her territory and the Government of the Republic would regard it as urgent to obtain on this point a decision which would secure the interests of the Entente powers.

The presence of enemy subjects in China is, as a matter of fact, a cause for serious alarm on account of the intrigues of every kind which they are ceaselessly getting up to hurt the cause of Germany's enemies in the Chinese mind. Since the diplomatic and consular officers left, the undertaking of corruption and seduction pursued by our foes has been conducted by business men in close relations with the most turbulent Chinese elements, viz.: the extreme parties. It is now proven that last summer they promoted, on the one hand, the monarchical *coup d'etat* of General Tchang-Hsun and on the other hand abetted the opposition of such Republicans as T'ong Shao-yi and Sun Yat Sen to a breach between China and Germany.

The Austro-German activities, dangerous enough in any condition of things because of the unstable character of the Chinese policy and of the alertness of private rivalry in that country, are made even more disquieting by the latest political crisis that has just broken out in Peking.

Under those conditions it would seem that the most effective measure that can be taken is that suggested by the British Govern-

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[1] Not printed; see the Acting Secretary's telegram, Nov. 17, 6 p. m., *ante*, p. 701.

[2] There is no record of further correspondence on this subject.

ment, viz.: the general expulsion from the territory of China of enemy subjects who should be interned in Australia since the condition of Chinese Government precludes a consideration of internment in China.

The French Government has reason to believe that this course would be acceptable to the Chinese Government if joint action were taken by the French, English, American and Japanese Governments.

In submitting the foregoing remarks and suggestions to the consideration of the Department of State, the Embassy of France ventures to remind it that the expulsion of enemy subjects from Liberia when that country declared war on Germany met with the approval of the Federal Government.

File No. 763.72114/5529

The British Embassy to the Department of State

MEMORANDUM

The British Embassy present their compliments to the Department of State and, with reference to the Embassy's memorandum of November 27th last, have the honour to state that they are in receipt of a telegram from the Foreign Office from which it appears that the Japanese representative at Peking has now been instructed to give his full support to Allied representations to the Chinese Government, urging that all enemy subjects should be deported.

It would seem that such action on the part of the Chinese Government was more necessary than ever in view of the possibility that the German and Austrian prisoners in Siberia may be released by the Russian Bolshevist government, and that there would thus be an influx of the former into China.

The British Embassy are instructed to urge the United States Government to request the United States Minister at Peking to join his Allied colleagues in pressing the Chinese Government to adopt the principle of deportation of enemy subjects.

WASHINGTON, *December 10, 1917.*

File No. 763.72115/3234a

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *December 11, 1917, 4 p. m.*

The French Ambassador has left at the Department a memorandum expressing the views of the French Government as to the treat-

ment of enemy subjects in China. It urges their expulsion from China and internment in Australia which has been proposed by the British Government. Please report by cable (1) your opinion upon this proposal, (2) the number of persons who would be affected, (3) difficulties, if any, in the execution of the project, and (4) attitude of Chinese Government towards it.

LANSING

File No. 763.72/8223a

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *December 14, 1917, 4 p. m.*

Department's September 20, 4 p. m.[1] French Government referring to reply of Chinese Government to proposals of the Ministers representing powers at war with Germany has called the attention of American Government to unwillingness of Chinese Government to inhibit trading with enemy subjects, to intern enemy subjects or to liquidate commercial houses as requested by the Allied Ministers and reported in your September 5, midnight,[2] section 2, B, C, and D, and has requested that you be instructed to obtain from the Chinese Government satisfactory replies to these requests.

Sections 4067 to 4070, inclusive, Revised Statutes, concerning alien enemies, and President's proclamations, April 6 and November 16, Nos. 1364 and 1408, respectively, relating thereto; joint resolution approved May 12 authorizing taking over of vessels in which there is enemy interest referred to in Executive Order No. 2651, June 30; Espionage Act, approved June 15 and proclamations July 9, August 27, September 7, November 28, numbered 1385, 1391, 1392, 1410, respectively, prohibiting, under title 7, this act, exports except with licenses; and Trading with Enemy Act, approved October 6 (a copy of which, together with Executive order, October 12, mailed you November 6 and concerning application of which you were informed in Department's November 30, 5 p. m.[3]) and proclamation November 28 prohibiting, under section 11 this act, imports except with licenses, indicate practice this Government with regard to trading with enemy and treatment enemy persons and property in the United States.

You will bring these laws and proclamations as they are received to knowledge Chinese Government and to the extent of these laws and proclamations you may support the requests of the Ministers of

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[1] *Ante*, p. 689.
[2] *Ante*, p. 685.
[3] Not printed.

Governments at war with Germany to the end that China may be persuaded of the necessity and desirability of adopting similar effective measures. LANSING

File No. 862.20293/21

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *December 14, 1917, 4 p. m.*
[Received 4.50 p. m.]

Your cipher telegram of December 11, 4 p. m. It is difficult to secure details concerning German intrigue and propaganda but their relations with Chinese people are close and their activities [require?] effective supervision. There is reason to believe many Germans still exercising influence. The possibilities of liberation prisoners of war in Siberia makes it desirable they should have no base of operations in China. Deportation of Germans, at the very least of all persons suspected by any Allied powers, including American Legation, of secret influence and plotting is advisable in my opinion.

Approximately 2,000 Germans in China.

Chinese police arrangements defective but with assistance of Allies could succeed. It would however be preferable if the deportation could be administered entirely by the Allies in behalf of the Chinese as more effective and less likely to have dangerous consequences for the relations of Chinese to western people generally. Exceptions might also be desirable in the case of persons of only formal German nationality and allegiance associated with legitimate Allied or American enterprise.

I believe that if the associated Legations demanded deportation, the Chinese Government would be [disposed to?] comply.

REINSCH

File No. 763.72/8136

The Secretary of State to the Ambassador in Russia (Francis)[1]

[Telegram]

WASHINGTON, *December 15, 1917, 5 p. m.*

1905. Department informed that German Government is hopeful of a resumption of amicable relations with Japan and China and will urge Russia to cooperate in making very important concessions to bring about that result. Discreetly investigate and report.

LANSING

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[1] The same, unnumbered, on the same date, to the Ambassador in Japan and the Minister in China.

File No. 862.20293/21

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *December 18, 1917, 4 p. m.*

Department's December 11, 4 p. m. and your December 14, 4 p. m. You are instructed to say to the Chinese Government that the American Government views with favor the suggestion of the British and French Governments that all enemy subjects in China, particularly those suspected by the Chinese Government or Allied Legations of secret plotting should be deported and interned in Australia.

LANSING

File No. 763.72/8259

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *December 18, 1917, 11 p. m.*
[*Received December 22, 3 p. m.*]

2118. Your 1905, December 15, 5 p. m. Have conferred incidentally on the subject with Japanese Ambassador and Chinese Minister both of whom profess fidelity to Allied cause and treat contemptuously all suggestions of separate or even general peace.

Soviet bulletin printing many secret treaties and cables gives to-day under heading "Secret convention between Russia and Japan having in view joint armed action against America and England in the Far East before 1921" and secret treaty of July 3, 1916,[1] negotiated by Sazonov and Motono which you will recall I have been endeavoring to get since its execution. It contains six articles the last of which provides "and present convention is to remain the strictest secret for all save the high contracting parties." Article 1 provides for "preservation of China from political mastery of any third power nourishing hostile intentions against Russia or Japan" and binds signers to exclude possibility thereof.

Article 2 binds each contracting party in the event war is declared by any third power against the other contracting party, to assist and not to make peace without having first received consent of other contracting party.

Article 3 provides that the "ways of realizing such assistance shall be formulated by competent authorities of both contracting parties jointly."

Article 4 of the treaty provides that article 2 is not binding upon either contracting party beyond "guarantees from its allies that

[1] See *Foreign Relations*, 1916, pp. 429 *et seq.*

they too will assist it in a manner corresponding according to their resources to the seriousness of the ripening conflict."

Article 5 of the treaty provides that the treaty enters into effect from the moment of its signature and terminates July 14, 1921, but provides that in case neither party announces twelve months previous to expiration its unwillingness to prolong same then the treaty "shall remain in force until the expiration of one year from the time of the announcement by one of the high contracting parties, that the present convention is denounced."

Same publication printed sixteen very long confidential cables from the Russian Ambassador Tokyo signed Krupenski to Russian Foreign Office which shall summarize to-morrow: they bear dates from January 26, 1917, to October 19, last, and comment copiously on our Japanese relations referring to visit of Japanese commission to United States.

FRANCIS

File No. 763.72/8262

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *December 23, 1917, 1 p. m.*
[*Received December 23, 9.40 a. m.*]

My telegrams October 2, 1 p. m.,[1] November 4, 8 p. m.,[2] November 15, 5 p. m.,[3] November 23, 9 p. m.,[4] December 12, 6 p. m.[5] The Government has decided to establish a commission on war participation and has offered the presidency to General Tuan. The commission is to deal with supply of man power including military and of materials to the Allies. General Tuan stated to me the success of this work entirely depends on receiving the most acceptable financial support from the United States as the financial means of China are sufficient scarcely for domestic needs, therefore he cannot accept chairmanship unless our American Government could make a favorable decision as otherwise his acceptance would only raise false expectations.

The general stated that he desires to prepare an expedition of the most select troops. Realizing that four divisions constitute relatively

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[1] *Ante*, p. 691.
[2] *Ante*, p. 698.
[3] *Ante*, p. 700.
[4] *Foreign Relations*, 1917, p. 111.
[5] Not printed.

small force he is ready to follow up with contingents of great size if we find the troops satisfactory. His earnest desire to cooperate is headed [*shared?*] by the most farsighted leaders in China.

The Consul General, Canton, telegraphs that a movement had been started for the independent war participation of the South under American guidance but such [Southern?] military leaders take the position that in international matters they will conform to the policy of the Chinese Government, being ready to furnish their quota of troops. This indicates unifying effect of war action.

As I have been requested now to give a reply I have the honor to ask your decision and to request that should there be any specific obstacle I may be informed in order that a satisfactory solution may be attempted. I believe this matter to be of far reaching importance. If the present opportunity is accepted lasting sources of strength will be secured; if it is rejected the progressive leaders in the China war policy will seem to be disavowed and will be weakened in the face of all influences which will be brought to bear to turn China against the Allies. The policy suggested is not new but has been agreed to by the Allies.

REINSCH

File No. 861.00/854

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram—Extract [1]]

PETROGRAD, *December 21, 1917.*
[*Received December 23, 7 p. m.*]

2127. Japanese Embassy in statement published Petrograd *Gazette* yesterday . . .

. . . . . .

Concerning secret treaty cabled in my 2118, after saying that heading thereof is unauthorized ends—

With regard to this convention the Japanese Embassy declares that there is being attributed to this treaty a character that is entirely foreign to it and that it is in no wise ambiguous as regards England. The unauthorized heading merely shows that the person who composed it had not penetrated the meaning of the fourth article of the said treaty. The purpose of all this is apparently to call forth among the Allies if only a shadow of confusion.

FRANCIS

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[1] Full text of this telegram in *Foreign Relations*, 1918, Russia, Vol. II, p. 10.

File No. 763.72/8372b

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *December 26, 1917, 3 p. m.*

6119. For Crosby from the Secretary of the Treasury:

Treasury No. 39. Chinese Government has offered to send troops to Europe. War Department is entirely in accord with the project provided the troops are organized as engineer corps and quartermaster corps under the leadership of a Chinese general officer and ordered to report to Pershing. The troops are to be available for second line and rear duty and 10 per cent of them to be armed as they pass through America. For this purpose the Chinese Government has requested a loan. The cost estimated by the War College for one year including equipment, transportation, rations and pay will be about $30,000,000. It is now proposed to make the Chinese Government a loan in the form of credits in the sum of $50,000,000, of which $30,000,000 or as much thereof as may be immediately necessary shall be immediately available for the purpose suggested. You are instructed to lay the matter before the Inter-Allied Council and to ask their cooperation and urge its adoption. The French Government has advised the Department of State that they approve. The British Government has expressed the hope that we would not interfere with their supply of coolie labor from China. You will please keep this fact in mind in considering the British attitude toward the proposal. The Japanese Government have said they would be glad to help transport them. Please report thereon as soon as possible.

You are instructed that this Department of State is fully in sympathy with the above project.

LANSING

File No. 763.72/8262

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *December 26, 1917, 5 p. m.*

Your December 23, 1 p. m. For your information and guidance. The President, and State, War and Treasury Departments all favor financial assistance to China for military expedition. The matter awaits approval of the Allied Council. What is foundation of your statement that Allies have agreed to the policy?

LANSING

File No. 862.85/254

The Minister in Siam (Ingersoll) to the Secretary of State

[Telegram]

BANGKOK, *December 27, 1917, 7 a. m.*
[Received 3.21 p. m.]

Referring to the Department's telegram of December 21, 7 p. m.[1] Charter contracts for our allotted vessels [2] signed yesterday. Rates of charter hire payable in New York.

INGERSOLL

File No. 763.72115/3237

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *December 27, 1917, 11 p. m.*
[Received December 28, 10.34 a. m.]

British and other Allied representatives will propose deportation of all enemy subjects on the ground that this measure alone will adequately safeguard Allied interests. May I support this action?

REINSCH

File No. 694.119/51

The Ambassador in Japan (Morris) to the Secretary of State

No. 15 TOKYO, *December 3, 1917.*
[Received December 29.]

SIR: I have the honor to report that I have observed since my arrival a growing unrest and irritation because of the delay in the negotiations in reference to the United States embargo on steel. I feel that I am not exaggerating when I state that almost one-half of the persons, resident Americans and Japanese, who have called upon me during the last four weeks, have inquired as to the possibility of some satisfactory adjustment of this matter. In all cases I have disclaimed any knowledge of the negotiations, which it is generally understood are being conducted by the Japanese Ambassador in Washington. If the Department deems it advisable, I should be glad to receive advices as to the present status of these negotiations, for my own confidential information.

I was informed by those familiar with Japanese conditions that the Government had been vigorously suppressing any public com-

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[1] Not printed.
[2] As named in the British Embassy's memorandum of Nov. 7, *ante*, p. 698.

ment on the steel situation, in the hope that some adjustment could be reached that would allay the growing feeling of irritation. I was assured, however, by the same persons, that the feeling among Japanese business men, and even among Government officials, was very intense.

Then unexpectedly on November 18 the Department of Communications issued to the press an extended statement on the steel situation. I am attaching a careful translation of this statement made by Mr. Ballantine, Japanese Secretary of this Embassy. It reviews the progress of the negotiations, giving the three successive proposals made by Japan and the counter-proposals made to each by the United States. It explains that the acceptance of any of these proposals, notwithstanding the fact that Japan was prepared to make great sacrifices for the common cause of the Allies, would have jeopardized the standard that was necessary to safeguard Japan's existence as a nation, and therefore it regretted that in view of these circumstances there was nothing else to do but break off negotiations. The result of official investigation as to how far Japan could supply its own shipbuilding material was also included in this report, which showed that it would require an additional 18,000 tons to construct 149 vessels, with an aggregate displacement of 590,000 tons.

Newspaper comment followed and translations of characteristic editorials are also attached.[1] The Osaka *Mainichi* considers it very fortunate that America did not accept Japan's offer, which was altogether too liberal, and calls attention to the imperative duty of reforming Japan's industrial system. The Tokyo *Mainichi* is convinced that America never intended to lift the embargo on steel, inasmuch as the strides Japan is making in its merchant marine on the Pacific are viewed with alarm and jealousy. It thinks that the embargo will give an impetus to domestic manufacture. The *Sekai*, however, hopes that the negotiations will be revived, for it would not hurt the United States, rich in shipbuilding material, to permit the unconditional export of 175,000 tons of material.

Very few of those who have called upon me to discuss this question, have offered any constructive suggestions. I understand, however, that recently a number of American and Japanese business men have been endeavoring to organize a movement entirely apart from any diplomatic negotiations, and which they hope may result in the tender by private firms and individuals, of a large amount of immediately available tonnage to the Shipping Board, at reasonable prices, in consideration of the issuance of a license by our Government to export a certain amount of steel plates at present American prices,

[1] Not printed.

which will be used only for the construction of ships in the interest of the Allies. The thought of these men is that they shall persuade the Japanese Government to discontinue the diplomatic negotiations, which they are confident can reach no satisfactory conclusion, and then open negotiations with American firms, tendering ships at prices to be agreed upon, and obtaining steel by Government license.

I merely report these facts to the Department for its information, but am not sufficiently familiar with the negotiations to express any opinion as to whether such a plan would be practical.

I have [etc.] ROLAND S. MORRIS

[Enclosure—Translation]

Statement to the Press by the Japanese Department of Communications, Issued November 18, 1917, regarding Details of the Negotiations with America in Connection with Prohibition of Steel

Although the Imperial Government is deeply concerned at the scarcity of vessels in this country, it has transferred vessels to meet the demands of the Allied powers and has permitted the chartering of a reasonable proportion of vessels. Last June our ally, Great Britain, expressed the desire to be supplied with a still greater number of ships. Our Government took up negotiations with the principal idea in view that we could assist the Allies in the most advantageous and effective manner if we obtained raw material from Great Britain, utilized our own shipyards and hastened the construction of vessels, but it happened that in August, on account of the pressing demands of its own shipyards, England was unable to supply raw materials. While these negotiations were going on with Great Britain, in America the export of iron materials, especially shipbuilding material came to be prohibited. As it was impossible for the shipyards or the importers of this country to obtain the material which they had ordered or contracted for, a memorial was presented urging negotiations for the release from the embargo of over 400,000 tons already contracted for. Negotiations were immediately commenced with a view to their relief, but the United States declared that its own requirements in shipbuilding material for aiding the European allies was very pressing and that it was utterly impossible to supply anything except what was to be used for the war, so that we negotiated for the release from the embargo of approximately 60,000 tons, which was the amount necessary to complete the construction of those that were most urgently in demand by private individuals. With the exception of some 10,000 tons for which licenses had been issued up to August 15, we have been unable to reach a settlement.

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During these negotiations, as the negotiations for ships with England came to be interrupted, the Japanese Government considering as an entirely different question the negotiations for the release from the embargo of the materials that were ordered by private individuals already mentioned, took steps to suggest to the American Government that if we received about 600,000 tons of material we could within two years construct vessels approximating 1,200,000 tons in gross tonnage, or 1,800,000 tons in displacement.[1] A part of them would be retained by us for cooperating in the war as a member of the Allied powers, but the greater part would be turned over to the Allies. The American Government explained that it was very eager to obtain a supply of existing vessels in view of the fact that as it required ships in a great hurry for joint cooperation in the war it was impossible to follow a shipbuilding program for a long period. Accordingly it was proposed that we should supply 150,000 gross tons of our existing shipping in return for which America should supply us with 150,000 tons of material during this year and 300,000 tons during next year, a total of 450,000 tons. From this it was planned that vessels aggregating 1,350,000 tons gross could be constructed, of which 750,000 tons would be supplied to America between January, 1918, and September, 1919, and that of the remaining 600,000 tons, 150,000 tons would be used to make up the amount supplied from our existing tonnage, as already set forth, and the remainder to be applied to our part in the conduct of the war. Inasmuch, however, as the negotiations with respect to the material which had already been contracted for by private individuals are, as has already been stated, a separate question, the said shipbuilding materials being materials for the construction of ships of an exact standard, it goes without saying that they are entirely different articles from those ordered by private individuals.

In reply to the above proposal of our Government, the American Government as a counter-proposal, suggested that in return for a supply of ships by this Government amounting to a total of 1,000,000 tons, 100,000 tons each month for ten months beginning with November, 1917, it would issue licenses for the export of 450,000 tons of materials already contracted for by private individuals up to August of this year, and stated that they would not require to be supplied with any ships after August of next year.[2]

As this was the American proposal, in view of the rate of ship construction, no matter how much we exerted ourselves, from the materials supplied by America the vessels we could construct and

[1] The negotiations herein related were conducted by the War Trade Board and the Shipping Board.

[2] The Chairman of the War Trade Board to the Japanese Ambassador, Oct. 20, 1917. (War Trade Board Files.)

supply would not exceed three or four hundred thousand tons displacement, the greater part of the existing tonnage of Japan would have to be supplied to make up the remaining six or seven hundred thousands tons, which we were utterly unable to stand. The supply of 150,000 tons displacement of existing tonnage originally made by our Government, as has already been stated, was for assisting the Allies, and, after a thorough investigation had been made in regard to adjusting our marine transportation, (we concluded that) this offer was the greatest sacrifice that we could make, and that it was impossible for us to turn over more, in consideration of the present circumstances, of our marine transportation. Since the United States states that it will not require any ships after August next, the portion of our proposal which was concerned with projects subsequent to September of next year was abandoned. We proposed finally to supply 150,000 tons displacement of existing vessels and 200,000 tons displacement from January to August next, a total of 350,000 tons, which should be constructed from materials supplied by America. The United States was to supply us with approximately 150,000 tons of material within this year and 25,000 tons during January and February next, a total of 175,000 tons. From this approximately 525,000 tons displacement of shipping could be built, of which, as had already been set forth, 200,000 tons which would be supplied to America, would be subtracted, and from the remaining 225,000 [*325,000?*] tons, 150,000 tons would be used to make up the deficit caused by the supply of 150,000 tons of existing vessels supplied to America, and 175,000 tons would be reserved to be freely disposed of by Japan as a member of the Allies. The American Government agreed to the proposal of our Government in respect to the quantity of vessels to be supplied by us and the amount of the material to be supplied by it, but as supplementary conditions it proposed that the ships should be less than 7 years old (10 years in the case only of those in best condition), and that the price of existing vessels should be $170.00 per ton and of new vessels $200.00 per ton. With regard to the supply of materials which were for private orders and contracts, it proposed that the amount should be limited to those which had already been manufactured and kept in the port of export or which had already been shipped, provided that this amount did not exceed 25,000 tons in November, 50,000 tons in December and 100,000 tons during the period ending August next.

From the first our country has not begrudged its utmost efforts to afford facilities as far as it was able, to the cooperation with the Allies in the prosecution of the war, but it is imperative that we do not neglect to maintain the standard which shall not impair the disposition which is necessary to safeguard the existence of our

nation and people, and the number of ships as well as the assistance in maintaining communications in behalf of the other Allied powers. If, however, we considered the American proposal, by limiting the ships to be supplied to those under 7 years of age or even 10 years, we should be giving up the majority of our best ships which are used on the regular routes of trade of this Empire. We shall run the risk of creating confusion in our marine transportation system. Even if a part of the materials already contracted for by individuals were to be applied to this project, inasmuch as these materials already contracted for were purchased by the various shipbuilding yards at current prices, and since employed in the construction of vessels of various kinds in compliance with the orders of others, it would be impossible to hasten the construction of vessels with these materials within a definite period under a uniform plan. Furthermore, in regard to the price of vessels, also, there is a great difference in comparison with our current prices, and the new vessels under construction by private individuals in our country have been contracted for at a very high price, so that it would be utterly impossible to supply them at such a low price.

To sum up, our Government was extremely desirous of completing negotiations in a friendly manner with the American Government, which had been so cordial, but we failed. As there was considerable difference in the wishes of each of the two countries, with respect to this question, on account of the difference in the circumstances of the two countries, we were at last unable to reach any unanimity, to our great regret. Nevertheless, in consideration of the conditions of our marine transportation and shipbuilding industry, we deemed that it would not be a good policy to continue the negotiations any further and place our marine transportation and shipbuilding industry in a very uneasy situation for a long time to come, we decided to abandon our negotiations in regard to shipbuilding materials and shipbuilding which we proposed, with the exception, however, of the negotiations respecting the materials, which have already been ordered—this being a separate question.

Investigation as to Whether We Can Supply Our Own Shipbuilding Material

Previous to this in May or June, our shipbuilders had complained of a lack of shipbuilding material. As soon as the American steel embargo was put into effect, the work on vessels which were under construction at that time had to be suspended, and the resulting embarrassment was very regrettable. On the one hand negotiations were taken up, as has been outlined, and on the other a thorough investigation was started with regard to shipbuilding materials available in our own country.

Even at the time when our shipbuilders used to import their shipbuilding material from the United States, there was great trouble about the importation of steel plate, and it became imperative to relieve the distress of the people engaged in that industry. Therefore, a general development of the shipbuilding industry was planned, and at the same time it was recognized that it would be necessary to facilitate the supply of steel plates. In the latter part of June as a result of a conference of the various ministers of state of the departments concerned, a conference of the heads of the bureaus having jurisdiction, was summoned. At the end of several discussions it was planned to have it manufactured and distributed as far as possible by the Naval Arsenal, and that the Edamitsu Iron Works should be depended upon for a supply of material. Thorough preparations were made and now we are on the eve of putting the project into operation. In the first season, beginning with December, about 800 tons will be manufactured. The Department of Communications will distribute it among the various shipbuilding yards, twelve places in all, to make up the amount of deficiency of material which will be required to furnish 21 vessels of approximately 15,000 tons displacement. A few days ago the Department explained to the persons engaged in the industry the method of distribution, so that the persons who were unable to complete the construction of vessels on account of the lack of material will be able to proceed with their work forthwith. Moreover the Navy Department in order to meet the necessary requirements of shipbuilders which will continue, is planning to provide them with adequate facilities which will enable them to proceed.

In connection with the insufficiency of materials, which has arisen on account of the American steel embargo, for building the hulls of vessels which are at present in course of construction and whose construction is about to be commenced, it has been computed by the persons engaged in the industry that about 60,000 tons would be required. There will also be an importation of materials for which licenses will be obtained from America. According to the latest investigation at building yards, vessels of over 1,000 gross tons of class 1, that is to say vessels which are in the course of construction and whose keels have already been laid down, to the number of 91, of a total displacement of 369,000 tons, can be completed if 7,500 tons of material which is lacking, can be supplied. For vessels of the second class, that is to say, whose keels are shortly to be laid, if over 11,000 tons of material are supplied, 58 vessels aggregating 220,000 tons can be completed. That is to say vessels of the first and second class, under construction in 47 yards, a total of 149 with an aggregate displacement of 590,000 tons can be completed if a little

more than 18,000 tons of material can be supplied. Our Department of Agriculture and Commerce is now making an earnest investigation as to how this can be supplied to our shipbuilding yards.

File No. 763.72115/3237

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *December 29, 1917, 3 p. m.*

Your cipher telegram of December 27, 11 p.m.[1] Department in its telegram of December 18, 4 p.m.[2] expressed favorable opinion of proposal to deport enemy subjects from China and intern in Australia. Does your present inquiry refer to same suggestion or are enemy subjects to be deported to other places than Australia? Please fully explain. LANSING

File No. 863.852/202a

The Secretary of State to the Consul General at Shanghai (Sammons)

[Telegram]

WASHINGTON, *December 29, 1917, 6 p. m.*

You are authorized to sign charter parties vessels *China* and *Silesia* as agent United States Shipping Board Emergency Fleet Corporation, and to have marine survey made. Cable Department whether crews will be Chinese. Shipping Board plans employ these vessels Pacific trade for North and South America for present, but desires to make sure that no arrangement with crews prevents vessels being used North Atlantic if desired.

Department instructed Minister Reinsch by telegraph December 28[3] to authorize you to sign charter parties *China* and *Silesia*.

LANSING

File No. 763.72/8360

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *December 30, 1917, 2 p. m.*
[*Received 9.25 p. m.*]

Your December 26, 5 p. m.[4] In answer to your question regarding Allied powers. All favor the proposal although the French Legation has been allowed to take the lead urging the policy on the

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[1] *Ante*, p. 713.
[2] *Ante*, p. 709.
[3] Not printed.
[4] *Ante*, p. 712.

Chinese Government because the forces are to be employed in France. French Ambassador in September obtained concurrence Japanese Minister for Foreign Affairs to the proposal and the Japanese Minister has expressed approval to the Chinese Government. It is distinctly understood that the opportunity of firmly associating China with the action of the Allies may not be allowed to pass. There is but little doubt that a complete rebuff at this time would be most detrimental to the interest and influence of the associated powers.

REINSCH

File No. 763.72115/3239

The Minister in China (Reinsch) to the Secretary of State

[Telegram]

PEKING, *December 31, 1917, 6 p. m.*
[Received December 31, 4.15 p. m.]

Your December 29, 3 p. m. Inquiry was intended to inform you that the action of the Allied representatives contemplated deportation to Australia of all enemy subjects to the exclusion of the alternative of deporting only suspected persons.

REINSCH

File No. 763.72115/3237

The Secretary of State to the Minister in China (Reinsch)

[Telegram]

WASHINGTON, *January 3, 1918, 2 p. m.*

Your December 27, 11 p. m.[1] You may support Allied representatives on the ground that this measure alone will adequately safeguard interests of China and her allies.

LANSING

DIPLOMATIC AND FINANCIAL RELATIONS WITH RUMANIA

File No. 763.72/4489

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *May 7, 1917, 5 p. m.*
[Received May 9, 2 a. m.]

1256. Bratiano, Roumanian Minister for Foreign Affairs and President of Parliament, here asking whether Roumanian Legation under Chargé d'Affaires be received by our Government; also says

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[1] *Ante*, p. 713.

large numbers Roumanians in America who are Austro-Hungarian subjects, some naturalized, others not, intimating that many of them desire to join our Army and asks whether they would be accepted and if so whether be permitted to form Roumanian or Transylvanian regiment or brigade. Answer. FRANCIS

File No. 871.51/40a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *May 21, 1917, 5 p. m.*

1423. Secretary of the Treasury requests information concerning the possibilities of delivery of goods destined for Roumanian Government if sent to Archangel.

He also requests your opinion as to advisability from the point of view of aiding generally in the conduct of the war, of loaning the Roumanian Government approximately $4,000,000 for the present. This amount asked for by Col. Adrian Miclescu acting here as president of the Roumanian Trade Commission in the United States. He has no powers to sign obligations for that Government but is trying to receive such or have them conferred upon others in order that his Government may treat with the Secretary of the Treasury under the provisions of the act of Congress approved April 24, 1917. Meantime he states that approximately $5,000,000 worth of munitions and shoes ordered many months ago are now ready for shipment, and that cargo space is available for transportation to Archangel in the Russian volunteer fleet but that he is entirely without funds to pay freight and insurance and also without funds to meet certain amounts due on other goods ordered but not yet finished and delivered.

Please repeat foregoing to Jassy, omitting first paragraph and substituting "Secretary of the Treasury" for first two words in second paragraph.

Cable reply. LANSING

File No. 871.51/42

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *May 24, 1917, 8 p. m.*
[*Received May 27, 4 a. m.*]

1319. For Secretary of the Treasury:

Referring to Roumanian loan, Roumanian Minister states England has been financing Roumania. Russia has advanced nothing, France little if anything. Commissioner Miclescu authorized to

contract for supplies but not authorized to sign obligations for Roumania. Roumania very desirous to establish direct relations with us and if you decide to make loan Roumania [will] cheerfully comply with whatever conditions imposed. Can authorize commissioner there to sign obligations or secure authority to sign himself, or if preferred Bratiano, Premier and President of Parliament, and King would sign such obligations, which am inclined to advise. States furthermore Roumania mobilized 1,000,000 troops last year which seems extraordinary for country of 8,000,000 population. Says 200,000 soldiers lost by concentrated drive of Central Empires, and says confidentially Roumania forced to declare war when did by threat of Allies to abrogate treaties and on promises of support not rendered. Undoubtedly been great losses and extreme suffering now. Advise visaing contracts for which loan made and would require that tonnage to Archangel be secured and transportation thence to Roumania guaranteed, also to executing loan. Would also require that shipments be consigned direct to Government as many rumors here concerning inefficiency and other delinquencies in Roumania. That is a rich country however, producing largely grain and petroleum. They have been using our agricultural implements and well-boring machinery but purchasing same through Germany and England. Needs in such cases will be enormous when country restored. Command me if I can render further assistance. Forwarding your inquiry to Jassy.

FRANCIS

File No. 763.72/4489

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *May 28, 1917, 8 p. m.*

1446. Your 1256, May 7. Department will be glad to receive the Chargé d'Affaires from Roumania. Inform Legation Jassy. Other matter referred to taken up with War Department.

LANSING

File No. 871.51/47

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *June 5, 1917.*
[*Received June 14, 9.25 a. m.*]

80. Your 1423, May 21 to the Embassy St. Petersburg. In my opinion money should certainly be advanced Colonel Miclescu to pay munitions and equipment bought by him. Reorganized Roumanian Army lacks only equipment and munitions to become valuable to

Allies in holding Roumanian front especially in view Russian military uncertainty. Saving time in dispatch and arrival supplies from United States to Roumania vitally important.

Minister for Foreign Affairs asks me inform Department in detail as follows:

Roumanian Government has received telegram from Colonel Miclescu stating he had only asked information as to possibility of Roumania receiving loan upon same terms as other Allies for purpose hastening common victory: that it was in reply to a question that he had specified $4,000,000 as needed payment material bought and for transportation and insurance.

Minister for Foreign Affairs refers to action taken by Roumanian Government through Ministers France and England in Jassy to have these Governments arrange Washington loan $200,000,000 upon terms the United States Government is making to other Allies, namely, at par with interest at 2½ [*3½*] per cent: that Roumanian Government had taken same step through its Minister in London directly with British Government. Minister for Foreign Affairs considers that until such loan definitely arranged American Secretary of the Treasury might make provisional advance $4,000,000 for urgent payments. British Government did likewise at the time of making informal negotiations for loan.

Minister for Foreign Affairs requests me to express earnest hope of Roumanian Government that when the United States Government makes its forthcoming declaration regarding national aspirations of Italy, Poland, Alsace-Lorraine, it will not fail to mention the Roumanian race in Hungary. He states their case the same as that of Italians in Trentino. See my 81 to follow.[1]

ANDREWS

File No. 871.51/51

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *August 17, 1917, 9 p. m.*
[Received August 21, 4.10 a. m.]

1640. Also for Secretary of the Treasury and Secretary of War.

Evacuation Roumania, likely in near future, gives rise to great perplexities. Roumanian troops about 300,000, if compelled leave Roumania will lose spirit and perhaps disintegrate. Feeling resentful toward Russia because think she could have protected Roumania if she desired. Roumania inopportunely entered war unprepared and Roumanian Minister says under pressure of Allies and promises

[1] Not printed.

for their [aid] which were never fulfilled. If Roumania abandoned, enemy would form *de facto* Government with some *de jure* claim as many Roumanians would support it and, in our opinion, separate peace. Only possible help for situation is financial assistance from ourselves. Cost of maintaining Roumanian Government and Army about $10,000,000 monthly. Such assistance would probably save Roumania whose fate hopeless if country abandoned. Such action by us would meet Russia's hearty approval, delight our allies, and in many ways inure to our profit. Roumanian Army and Government now sustained by Russia who is groaning under her own load. Most or all such credit would be expended in Russia or in the United States. I ask authority to extend such credit with proper safeguards and careful conditions. I realize responsibility devolving upon myself if this recommendation approved but consider situation critical and risk justified by importance of keeping Roumania in war and preserving army of 250,000 men. Moral effect upon Russian sentiment be highly beneficial. Time is essential element and prompt reply respectfully requested. Delay probably fatal.

FRANCIS

File No. 701.7111/14

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *August 22, 1917.*
[*Received August 27, 2.20 p. m.*]

122. The Minister for Foreign Affairs informs me that the Roumanian King intends sending to Washington as Minister Dr. Constantin Anghelescu, former Minister of Works, Deputy, and professor of the University at Bucharest. He asks his acceptance by the American Government. He would appreciate receiving a reply as soon as possible.

I personally know Dr. Anghelescu quite well. He is a man of good reputation, very well thought of, intelligent and agreeable.

ANDREWS

File No. 871.51/57a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *September 1, 1917, 5 p. m.*

1674. Department is uneasy regarding the Roumanian situation and desires to avail itself of Colonel Judson's [1] experience and

[1] Brig. Gen. W. V. Judson, military attaché at Petrograd.

knowledge of this situation. The War Department therefore instructs him to proceed to Jassy to obtain the information requested in the Department's 1675 September 1, 6 p. m.

As soon as possible after his arrival in Jassy the Department desires a cable report from him as to whether in his opinion there is any danger of Roumania making terms with the enemy governments, and if so what will be the most practical means of keeping Roumania with the Allies.

LANSING

File No. 871.51/53

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *September 1, 1917, 6 p. m.*

1675. Your 1640, August 17. Referring to your statement that "should we grant such a credit, most or all of it would be expended in the United States or in Russia," it appears that lack of transportation, both by land and sea, render impossible the sending of any materials from the United States to Roumania for delivery within a practicable period. The Secretary of the Treasury, however, desires to know what, if any, materials were contemplated by the above-mentioned reference to the United States. Further, as to purchases in Russia, reports from the members of the Root mission indicate that nothing can be had in Russia for Roumanian consumption except wheat or other grains, and it is desired to know whether it is not possible for the Russian Government to extend the necessary credit for this purpose or whether it cannot accept, upon satisfactory terms, the paper money of the Roumanian Government with the necessary paper roubles to make wheat purchases. It is most important that whenever possible European belligerents should use European money for European purchases, thus diminishing the already enormous demands on the Treasury of the United States. If, however, it should appear after due consideration that the Roumanian Army must have Russian wheat and cannot get it save through the purchase by the American Government of Russian roubles, two questions remain concerning which the Secretary of the Treasury desires information and advice: (1) what is the best method of making such purchase of roubles and the figure at which it would be accomplished; and (2) what organization can be formed in Russia and Roumania to control the expenditure of funds thus put at the disposal of the Roumanian Government. If American officers are available for going to Roumania and staying there, it is probable that they should act in connection with English and French representatives.

It is also important to know whether Roumanian diplomatic representatives expect to be in Washington at an early date, as no loans can be made except against obligations of a belligerent Government, and these must be drawn in specific form and be fully authorized. It is possible but not at all desirable that these obligations be signed elsewhere than in Washington.

LANSING

File No. 701.7111/14

The Secretary of State to the Chargé in Rumania (Andrews)

[Telegram]

WASHINGTON, *September 5, 1917, 4 p. m.*

51. Your 122, August 22. Dr. Constantin Anghelescu entirely agreeable to this Government as Minister from Roumania.

In conveying this information to the Roumanian Government say that in view of the critical international situation and the earnest desire of the United States to assist Roumania immediately and in every practical and material way, the Government of the United States would be pleased if Doctor Anghelescu could be accompanied by Roumanian experts who could discuss with American officials the best means of assisting Roumania. This Government will endeavor to send aid without awaiting arrival of commission if it can be advised of most vital needs of Roumania.

LANSING

File No. 871.51/56

The Chargé in Rumania (Andrews) to the Secretary of State

[Telegram]

JASSY, *August 30, 1917.*
[*Received September 8, 10.30 a. m.*]

From the time of the entry the war of the United States the Roumanian Government, conscious of the heroism of its Army in force without reserves and doing double duty by reason of the partial failure of the Russian Army to defend its fronts and of the desperate situation of the country, has shown an eagerness for material help from the American Government which has latterly approached a certain impatience. While I have consistently avoided anything beyond expressing the general sympathy felt by the American people and Government towards its ally Roumania, it must be admitted that the speech of General Scott made by him to the assembled Roumanian Parliament was such as would be portrayed by such a people as constituting concrete promise that the United States intended to help Roumania.[1]

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[1] See *ante*, p. 130.

The Prime Minister has exposed such an attitude of veiled impatience towards America's lack of official recognition of Roumania's aspirations in regard to Transylvania that I recently found it advisable in conversation with the Prime Minister to recall to His Excellency's attention the fact that the United States is at war with only the German Empire.

Referring to my 117, August 18.[1] The loyal elements in the Roumanian Government have lately been having to oppose a hidden and while not strong yet potentially dangerous movement towards a separate Roumanian peace with Germany and Austria-Hungary. In my opinion a definite assurance given directly from this Government of help in money or equipment would strengthen the loyal elements in Roumania and would greatly encourage the nation in general.

ANDREWS

File No. 871.51/58

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *September 9, 1917, 8 p. m.*
[*Received September 11, 9.30 p. m.*]

1724. Your 51 to Jassy received, forwarded yesterday, suggests Roumanian experts accompany Anghelescu Washington to report Roumanian necessities and relief methods. Anghelescu here until 17th when starts Washington, stopping week in London; consequently, will not arrive there before October 10, if then, which would involve too much delay. Vopicka advised contents of your 51 and informed Anghelescu.

Answering your 1675, September 1. As stated heretofore, Russia claims is supplying Roumania with food and munitions, notwithstanding latter says such supply inadequate. If Roumania requires food, Russia, which has ample supply in southern provinces, is proper source therefor and Russia is only agency for procuring same as commandeering would be necessary. In such event Russia would probably not expect compensation from us, or if should I would not so recommend; consequently no occasion for our purchasing roubles. Roumanian Minister whose appeals continue still promises statement of necessities which suppose will soon submit. Vopicka, Anderson starting Roumania 10th accompanied by Judson whose leaving apparently quiet (situation?) here permits. They will arrive Jassy 16th and report conditions with recommendations which shall promptly transmit.

FRANCIS

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[1] Not printed.

File No. 871.51/59

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *September 12, 1917, 9 p. m.*
[*Received September 16, 2.40 p. m.*]

1737. Please send copy to Secretary of War, following from Judson:

Referring 1674 September 1 from the Secretary of State. Critical situation Petrograd causes Ambassador retain me here. Without visiting Roumania I submit following on Roumanian situation:

Existing Roumanian Government will in all probability continue war if physically possible. Germans could probably now or after taking Moldavia form complaisant *de facto* government within Roumanian territory and make peace with same if they so desire for moral effect, but may prefer to annex Roumania to Bulgaria and Austria. I think Germans would prefer the peace. Russia at least temporarily weakened by present crisis may conceivably make peace. Kornilov, if he wins against Kerensky, has still to secure activity and support of great inert peace-inclined Russian masses which now unorganized and behind no one. Roumanian situation largely swallowed up in present unresolved Russian situation. Roumania out of it, [if] Russia makes peace. If Russia continues war, present Roumanian Government and Army, subject to extreme contingencies of war, will continue also. Present intentions and spirit of Roumanian Government and Army reasonably satisfactory, but if to remain so, especially under conditions which may be reasonably expected, including evacuation Roumania, help must be afforded now by us. Roumanians look on Russia as broken reed.

Referring 1675, September 1, from the Secretary of State. From Russia can be obtained certain foodstuffs, including grain products, and perhaps, depending on changing war conditions, horses, some small arms, guns, ammunition and miscellaneous articles; from United States such essentials for carrying on war as can not be obtained in Russia, including small arms, guns, ammunition, spare parts and materials for certain upkeep, hospital supplies, rubber, certain foods like malted milk and numerous miscellaneous small articles, having regard to limited tonnage and time required. Changing war conditions constantly give rise to emergencies which alter Roumanian requirements and sources of supply. Some things might come from England and France.

Suggest all purchases in United States be supervised by our Government there as is understood to be done with purchases for Russia. Practically all purchases in Russia would be from the Russian Government which now purchases all grain from producers. Rou-

manian credit in United States would be in part drawn on to pay bills incurred there our [*under*] American supervision, in part simply transferred to Russian Government for what it supplies Roumania. Other small expenditures Roumanian forces might eliminate American credit to pay for by drafts which might be viséed by our Minister to Roumania but recommend straight-out credit for greater moral effect.

Present Russian Government says is no discrimination in supplying its own and Roumanian Armies; perhaps true, but result is Roumanian Army which is only reliable large body of troops on this front is not nearly as well supplied as could be under arrangement proposed and which its relative quality deserves in the interest of Allies. Not satisfied to remain thus at the mercy of Russian Government. Extent and character of backing by the United States will largely determine character and numbers of Roumanian Army of future. Russia now charges England and France each one-third cost of supplies furnished to Roumania. Thus credit to Roumania would benefit Russia, France, and England, as well as United States, latter as partner in the conduct of war.

FRANCIS

File No. 871.48/39a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *October 15, 1917, 7 p. m.*

1779. It is regarded of the highest importance that you join with your British and French colleagues in urging the Russian Government to furnish proper supplies to the Roumanians. The Department will be glad to be informed of the practicability of the Russian Government providing stores of food-stuffs in Bessarabia for Roumania.

LANSING

File No. 871.51/65

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *October 17, 1917, 6 p. m.*

5615. Following from the Secretary of the Treasury:

Referring to a conference to be held by the representatives of Great Britain, France, Russia and Roumania on the 18th of October, in London, to treat on Roumanian affairs, you are requested to have some one of your staff attend such meeting only in the capacity of

learning what the representatives of the Governments above named have to say, and report the same to this Government. You may also make known to the conference the fact that the Secretary of the Treasury is prepared to lend the Roumanian Government at once $5,000,000 for the purchase of certain materials which have been requested to be sent to that Government by our Minister at Jassy, and that the Secretary of the Treasury is further prepared to make additional loans of approximately $4,000,000 per month, assuming Great Britain and France will make equal subventions, in order to assure Russian food supplies to Roumania, in case it should be recognized by English and French representatives that Russia is unable directly to furnish these supplies, and take Roumanian payment for the same without the intervention of other belligerents. The Secretary of the Treasury is further considering an additional list of requirements submitted to this Government through Minister Vopicka in recent telegrams, but no action can be indicated at this date since the cost of such supplies has not yet been calculated, nor is it known to what extent the materials can be spared from this country, or whether transportation will be available in time to meet the Roumanian situation, even if the finance question were considered as settled.

It should further be pointed out that as yet no Roumanian representative has been given powers to sign obligations of that Government such as are required by the statutes of the United States under which the Secretary of the Treasury is authorized to make loans to foreign governments engaged in war against Germany. Full explanation concerning this matter was given to Ambassador Francis about three months ago, but as yet no satisfactory response has ever been received from the Roumanian Government on this point.

LANSING

File No. 861.51/225

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram—Extract]

PETROGRAD, *October 14, 1917, 7 p. m.*
[*Received October 19, 5.15 a. m.*]

1864.

. . . . . .

Impressed Roumanian Minister, often also Vopicka, with the necessity of having Washington authorized agent to sign obligations. Angelescu, Roumanian Minister to United States, whom I urged to go direct to Washington instead of stopping in London two weeks, as planned, as did Vopicka when both were here September 8. Allied

Ambassadors had three meetings on Roumanian needs, another Tuesday. Shall cable conclusion when reached.

. . . . . .

FRANCIS

File No. 871.48/37a

The Secretary of State to the Minister in Rumania (Vopicka)[1]

[Telegram]

No. 5650 WASHINGTON, *October 23, 1917, 7 p. m.*

For Vopicka from Treasury:

No reply has been received from you to our last despatches relative to rendering assistance to the Roumanian Government. However, in view of the urgency of the situation and the impossibility of our now dealing directly with the Roumanian Government, the Secretary of the Treasury has to-day arranged to loan $5,000,000 to the Russian Government on condition that the Russian Government will immediately in exchange for same open a credit of 25,000,000 roubles in favor of the Roumanian Government for the purchase of food supplies in Russia which Russia agrees to furnish to Roumania to that extent. The 25,000,000 roubles shall be loaned by Russia to Roumania for three months at 4¼ per cent interest, the Russian Government having agreed with the United States Government to accept $5,000,000 and interest in satisfaction of said 25,000,000 rouble obligation at any time within said three months. This limit of time is fixed in fairness to Russia in order to protect herself in exchange, and on the supposition that within the three months specified Roumania will have a representative duly authorized to contract obligations directly with the Government of the United States, in which event this Government is willing to advance to Roumania $5,000,000 on the same conditions as advances to other Allied Governments, with which to discharge the above obligation to Russia. If, however, Roumania should prefer to maintain the loan of 25,000,000 roubles from Russia instead of borrowing $5,000,000 from this Government with which to satisfy the loan from Russia, then Roumania may arrange with Russia for continuing the loan in roubles after the expiration of the three months. The above procedure seems the most practical solution under the circumstances, and this Government because of the urgency of the situation has taken this action independently of arranging further credits and assistance to Roumania in cooperation with England, France and

[1] Via London with the instruction, "Note following and transmit to Petrograd to note and forward to Jassy."

Russia, which is being taken up with those countries. Please explain the above to the Roumanian Government, and also that the Secretary of the Treasury is endeavoring to obtain through England the equipment for the Roumanian Army requested in your despatch No. 139,[1] in order that said supplies may reach Roumania quickly.

LANSING

File No. 763.72/7721

The Delegate to the Inter-Allied Council (Crosby) to the Secretary of State

[Telegram—Extract [2]]

LONDON, *November 14, 1917, 10 a. m.*
[Received 10.20 a. m.]

3. For Secretary of the Treasury:

Roumanian Minister here explains the failure of his Government to give powers to any representative for signing obligations due to factional jealousies in Jassy. Difficulty at last overcome to this extent that the Minister at Paris is now expecting to go to America soon.[3] I shall see him next week. Meanwhile Minister here states that nothing can be done until further developments in the Russian situation. . . .

CROSBY

File No. 102.1/439

The Delegate to the Inter-Allied Council (Crosby) to the Secretary of State

[Telegram—Extract]

PARIS, *December 4, 1917, 8 p. m.*
[Received December 6, 4.10 a. m.]

No. 13 for Secretary of the Treasury:

. . . . . .

Referring to Roumania have agreed to recommend following arrangement for Roumania worked out in conference with Antonesco, Roumanian Minister at Paris, who is in telegraphic communication with his Government. Pending further study of Roumanian situation and with a view to possible ultimate more permanent arrangement, but without any commitment to such arrangement, the three Governments to advance in equal parts $20,000,000. These advances will be used without intervention of Russian Gov-

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[1] Not printed.
[2] In full, *ante*, p. 578.
[3] Doctor Angelescu presented his credentials as Envoy Extraordinary and Minister Plenipotentiary, Jan. 15, 1918.

ernment in purchasing rubles for account of Roumania by southern Russian banks for purchases in Russia, for maintenance of Army and civil population, such advances to be in four equal biweekly installments beginning December 15. The drafts are to be drawn upon their respective countries by the diplomatic agents of the three lending countries in Roumania and resulting ruble credits are to be with banks approved by such diplomatic agents to whom periodical reports of purchases are to be made. For these advances the lending Governments are to receive Roumanian obligations. Those received by United States to meet the requirements of September act. Agreement provides that advances are to be repaid half at the end of first year and half at the end of second year after the cessation of hostilities but longer obligations will doubtless be necessary. Assume we may accept here delivery of Roumanian obligations approved by Cravath. In view of the delay in transmitting cables from Washington to Jassy suggest in case arrangement approved you authorize me to send instructions directly to Vopicka. This arrangement supersedes earlier proposal for purchases in London, it being unsafe to attempt shipments through Russia.

. . . . . .

CROSBY

File No. 871.51/89

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *December 8, 1917, 7 p. m.*

5995. Following urgent for Crosby from Secretary of the Treasury:

Treasury 21, your 13. Approve arrangement for a loan of $20,000,000 to Roumania of which one-third advanced by United States. Have just received following cable No. 181 dated December 5 from American Minister at Jassy:

Myself, the American military attaché, and all the Allied Ministers recommend that the United States, either by itself or in conjunction with the Allies, make a loan of $20,000,000 to Roumania commencing at once and continuing for three months and possibly longer, provided that the Roumanians will withdraw the Roumanian Army to Russia and will undertake not to make a peace and if possible will continue to fight. Roumania cannot buy provisions for the Army *en route* through Russia because it has no money. It is consequently necessary to open a credit with some bank at Odessa at once. The situation otherwise is lost. I request instructions if the Department wishes me to control this loan so as to carry out this plan. The Allied Ministers and myself have protested against an armistice

with Germany being concluded by Roumania. The American military attaché says that he has just been advised by the British military attaché that authority has been given him to expend up to £1,000,000 provided Roumanian Premier will instruct that this plan be carried out by the Army.

On December 5 before receiving your cable United States had advanced $5,000,000 to Great Britain to be made immediately available to Roumania probably through Bank of England. In view of foregoing cable from Jassy conclude that Great Britain had advanced £1,000,000 for her own account immediately followed by $5,000,000 advanced by United States. In view of apparent urgency of situation believe these advances should stand and that the advance of $5,000,000 thus already made by United States should be taken as on account of advance of one-third of $20,000,000 arranged by you, balance of our one-third or $1,660,000 to be drawn in manner suggested by you. Please cable at once whether you are satisfied that arrangement reported by you sufficient to take care of immediate exigencies of situation in view of urgent cable above quoted from American Minister at Jassy. You are authorized by State Department to instruct American Minister at Jassy direct and he has been so advised.

LANSING

File No. 871.51/102

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *January 1, 1918, 6 p. m.*
[*Received January 2, 5.15 p. m.*]

2978. The following is a translation of joint telegram sent by Ministers of Great Britain, United States and France at Jassy under date of December 27, and transmitted to me by Foreign Office.

1. We have reached an agreement with the Minister of Finance for the realization of the credits of $20,000,000 opened to Roumania for the rationing of the Army and the revictualling of the civilian population.

2. It is agreed pursuant to our instructions that the drafts shall be remitted to the Minister of Finance who will consult us regarding the banks to be chosen for their negotiation. He pointed out to us that the Roumanian state being debtor for these sums should have considerable latitude as regards their realization. He added that in the present situation of Russia this realization will meet with the greatest difficulties which would not have existed and [*had*] credits been opened when they were first requested five months ago.

3. Regarding the latter point the information received from Odessa fully confirms the opinion of the Minister of Finance. It

appears therefrom that the banks are closed the [omission] and the public having withdrawn their deposits. By reason of the extreme difficulty of procuring important sums under such conditions it is advisable, according to the suggestion contained in our joint telegram of December 14,[1] to consider the issuance at brief delay of roubles guaranteed by credits opened in the Allied states.

4. We have placed this day at the disposal of the Roumanian Government $5,000,000, £600,000 sterling, and 2,000,000 francs. This assessment is explained by the fact that dollars and pounds are at present easier to negotiate than francs.

5. It is agreed that for their utilization the sums shall be handed over to the president of the inter-Allied commissions of southern Russia. The Inter-Allied Central Committee is also in course of organization at Jassy.

6. The English and French agents at Odessa state that their task cannot be fulfilled without the cooperation of the Russian authorities and that to obtain the latter it is necessary to extend the rationing to the Russian troops of the Russian-Roumanian front. This [garbled groups] possible to be assured from the funds placed at the disposal of Roumania it will be necessary to open fresh credits to a special account. We will shortly give specific indications regarding the amount of these new credits.

SHARP

File No. 701.7111/28

Remarks Made by the First Minister of Rumania (Angelescu) on His Reception by President Wilson, January 15, 1918

MR. PRESIDENT: The great American Democracy's intervention has defined and brought in still higher relief the high moral aim of the Allies' action in the unprecedented struggle that has been going on for three years and more, and in which the triumph of right is at stake.

That great historic event will henceforth loom, through its consequences, above the progress of mankind.

Through the blood-red glow of the present days, the oppressed peoples see in that intervention, prompted by the purest love for justice and truth, the dawn of a new order of things built upon the freedom of nations and international equity.

I am glad, Mr. President, to bring on this day to Your Excellency, under the tragical circumstances that have befallen my country, the expression of the high esteem and admiration of His Majesty, the King, and the Roumanian people for the powerful Republic of the United States and its illustrious Representative.

Roumania's confidence in ultimate victory and the concomitant achievement of her historic destinies are enhanced by her very sacrifices and misfortunes.

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[1] Not printed.

Sacrifices and misfortunes alike have been enormous.

The accumulated results of our national efforts of the last fifty years since our own national life was given birth were all wiped out by the enemy's invasion. We were spared no sorrow; monstrous excesses, pillage and massacre of the people, my country withstood all these horrors without flinching either from its determination or from its remaining true to its alliances until the end, when the hour of reparation will strike.

It stood erect in adversity, strengthened by the consciousness of fighting not for conquest at the expense of other peoples but for its very national existence interwoven with the preservation of the four million brethren who beyond the mountains, have through centuries asserted they are bound to Roumania by solidarity of race and ideals.

From this assurance of political independence and national unity, my country will derive renewed vigor in carrying out its mission of promoting progress, order and civilization in Southeastern Europe.

It will apply all of the loyalty of which His Majesty the King has given so much conclusive evidence to strengthening its political and economic relations with the mighty American Democracy whose world prestige is asserting itself more and more every day.

In this undertaking I shall, constantly and earnestly, devote all my efforts. They will, as I firmly hope, be sympathetically received by Your Excellency.

Thus will the bonds be strengthened by which brotherhood in arms has united the democratic peoples who are shedding their blood side by side so that their independence and free development in every manifestation of national life may be guaranteed forever.

File No. 701.7111/28

Remarks Made by President Wilson on the Reception of the Rumanian Minister (Angelescu), January 15, 1918

MR. MINISTER: I am happy to accept the letters by which His Majesty, The King of Roumania accredits you as Envoy Extraordinary and Minister Plenipotentiary near the Government of the United States and to accord you formal recognition in that capacity.

I appreciate and thank you for the views you express with regard to the present effect of the entrance of the Government of the United States of America into the fearful war now raging in Europe and your hopeful prediction that through this a new order of things built upon the freedom of nations and international equity will result.

The United States has been forced into this great conflict much against its will and yet there is a great underlying satisfaction in the thought that no longer must the United States stand off, a mute spectator, in the presence of the cruel and barbaric acts which have been heaped upon your people. Your nation has endured with extraordinary patience and self-possession a long series of tyrannies at the hands of a relentless oppressor, and the United States, in fighting to protect her own liberty and integrity as a nation, is glad to have freed its arm for the like protection of your country and your country's allies. I am glad to express the confidence that our combined efforts will issue in a final triumph of right and liberty.

The intercourse between our two countries in the past, while always animated by trust and confidence, has not been extensive, but Roumania and the United States are now drawn closer together as common sufferers in a common cause and the action of the Government of Roumania in sending a diplomatic representative to this country is accepted as an added evidence of fraternal good will and a welcome recognition of the importance of unity and good understanding.

I welcome you to our country as the first Roumanian Minister at Washington and I am sure that your efforts in that high capacity to promote the common interests of both Roumania and the United States will be successful. In these efforts I shall be most happy to give you my hearty cooperation.

I trust that you will find your residence at this capital most agreeable.

THE ATTITUDE OF THE UNITED STATES AND THE ALLIED POWERS TOWARD THE SOCIALIST CONFERENCE AT STOCKHOLM

File No. 763.72119/600

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *May 14, 1917, 3 p. m.*
[*Received May 15, 1.15 a. m.*]

362. Socialist delegates from the Netherlands, Belgium, Denmark and Sweden now holding preliminary meetings in Stockholm with view to universal peace conference about the middle of June. Delegates from Norway, Russia, Austria-Hungary, United States, France and Germany expected to participate. Believe conference will have effect upon public opinion in Russia and Germany. Allies' representatives here have sent following identic telegram to their Governments:

We believe it would be equally inopportune for the Socialists of our respective countries to refuse or unconditionally to consent to take part in the conference organized here by the Swedish-Dutch Committee. In the second case they would simply be playing Germany's game; in the first they would risk aggravating the difficulties of the insufferable situation in Russia and aside from the effect in the neutral countries they would draw toward the Governments all the elements in the enemy countries now striving for an equitable peace. It would seem indicated that our Socialists should subject their participation in the Stockholm conference to the following conditions:

1. That there be definitely discarded the formula "neither annexation nor indemnities" by which the Central Empires are endeavoring to avoid the consequences of their miscarried aggression while preserving the fruits of other annexations which they have effected in the past against the rights and liberty of peoples.
2. That the peace to which the conference looks be based on the inalienable rights and free development of all nations.
3. That consequently all who are to take part in the conference agree in advance to condemn the violation of neutrality of Belgium by Germany and to consider as the first condition to a future peace the complete reestablishment of Belgium *in statu quo ante* and a payment of indemnity by Germany.

MORRIS

File No. 763.72119/607a

The Secretary of State to the Ambassador in Great Britain (Page)[1]

[Circular telegram]

WASHINGTON, *May 22, 1917, 6 p. m.*

For your information, under the direction of the President no passports will be issued to Socialists intending to attend the Stockholm conference. LANSING

File No. 763.72119/631

The Dutch-Scandinavian Socialist Committee (Branting, Chairman; Huysmans, Secretary) to President Wilson[2]

[Telegram]

STOCKHOLM, *May 29, 1917, 5.47 p. m.*

American delegates, conference Stockholm, wire passport refused. Our committee hope only misunderstanding, for confer-

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[1] Sent also to the Ambassadors in France, Italy, Russia, and Spain and the Ministers in Belgium, Denmark, the Netherlands, Norway, Sweden, and Switzerland.

[2] Copy received in the Department of State, June 2.

ence convoked on principle laid down in your speech Senate. Definite refusal by American Republic would not be understood in democratic countries.

BRANTING
HUYSMANS

File No. 763.72119/630

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *June 5, 1917.*
[*Received June 6, 4 a. m.*]

416. Swedish telegram bureau publishes to-day following proclamation:

RUSSIAN LABOR-MILITARY COUNCIL'S [1] EXECUTIVE COMMITTEE, PETROGRAD, JUNE 3

April 28 [*March 27*], Council appealed to entire world urging to common decisive action for peace. Labor-Military Party and entire democracy have inscribed on banners peace without annexations or indemnity founded on right all nations decide own fate. Russian democracy forced first Provisional Government acknowledge this program and events May 3, 4, have shown Government not allowed deviate from this on demand Council. This made first point program second Government. May 9 Council decided take initiative convening international Socialist conference and May 15 Council appealed all Socialists make peace. Council considers stopping war and establishment international peace cannot be attained by democracy except through united international efforts all organizations all countries against general massacre. First necessary decisive step organization such international movement is calling international conference whose most important task should be agreement between Socialist representatives regarding abolishment of sacred union with governments and imperialist classes which precludes all change [*chance*] peace, international agreement for abolishing this policy necessary for organization struggle for peace on broad international basis. Conference made necessary by mutual vital interests all people. Labor parties and organizations of this opinion and prepared unite efforts realize it are invited take part conference called by Council. Labor-Military Council convinced all accepting invitation will bind themselves unconditionally carry out all decisions conference which will be held Stockholm, June 28 to July 8.

MORRIS

[1] Council of Workmen's and Soldiers' Deputies.

File No. 763.72119/837

The British Ambassador (Spring Rice) to the Secretary of State

[A copy of the following note from the British Secretary of State for Foreign Affairs to the British Ambassador was left by the Ambassador with the Counselor for the Department of State.]

[*Received June 8, 1917.*]

The British Socialists have not yet had passports granted to them to attend the conference at Stockholm, but passports to visit Petrograd have been granted to Socialists representative of all important parties, and those visiting Petrograd will doubtless pass through Stockholm on their way.

At the time when the British Government decided to refuse passports it seemed improbable that the Socialists of France would be willing to attend the conference; and at that time also affairs in Petrograd were not so largely under the control of the Council of Workmen, as they are at present.

In the meantime however it has been clearly established that great capital has been made by pacifist and enemy agents out of the fact that the British Government had refused permission to Socialists to return to Russia; and this propaganda against the British Government would inevitably be strengthened if permission were refused to British Socialists to visit Petrograd and incidentally Stockholm.

Further, the Petrograd Council of Workmen has made a direct appeal to the British Government, asking that the British Socialists might be allowed to proceed; and the Council have made a similar appeal through the public press to all Socialists. The Russian Government also have intimated to His Majesty's Government their desire that favourable consideration might be given to the appeal of the Council; and they have given their official support to an invitation to visit Russia, sent subsequently to various labour and socialist bodies in England by the Workmen's Council.

Russian Socialists and German Socialists of both sections are going to Stockholm, and His Majesty's Government therefore feel that to prevent British delegates attending would do more harm than good; besides, from a democratic point of view the British case is particularly strong. There is in fact more identity in the aims of the Allies and of Russia than appears on the surface, and it is felt that our case, if strongly put, might exercise an important influence on opinion in Russia, and even in Germany too. On the other hand if the British Socialists are denied permission to attend the conference the inference will be that the British Government are afraid of the consequences of clear speech between British Socialists and their Russian allies; and people will readily believe any lies which the Germans may spread on the subject.

We greatly regret that it was impossible for us to consult Mr. Lansing before reversing our previous decision, but this was inevitable as conditions in Russia have changed so rapidly. My telegram of May 27 * was sent with the express object of warning Mr. Lansing that our attitude had to be modified.

[No signature indicated]

File No. 763.72119/646

The Editor of the Chicago "Tribune" (McCormick) to the Secretary of State

CHICAGO, *June 12, 1917.*
[*Received June 14.*]

DEAR MR. LANSING: I enclose a cablegram from our correspondent in Stockholm which I thought best not to print. I feel, however, that the subject matter should come to your attention.

Sincerely yours,

ROBERT R. MCCORMICK

[Enclosure—Telegram]

The Correspondent in Stockholm to the Editor of the Chicago "Tribune"

STOCKHOLM, *June 12, 1917.*

Socialist delegates here wholly cut from communication with American Socialists, receiving no answers to cablegrams or letters nor any answer to May 29 message in which Branting and Huysmans cabled Wilson on behalf conference that hoped statement Washington refused American delegates passports to Stockholm was "only misunderstanding because conference was convened on principles laid down in your Senate speech and definite refusal by American Republic would not be understood in democratic countries."

Lacking reply to this message and being unable receive word from American Socialists, Stockholm delegates completely in dark concerning possible bearings of conference on America. Comment unbitterly but wonderingly on this situation, saying:

We here neither to play politics nor inflame world, but by interchange views to assuage cruel conditions afflicting world and lowering civilization. We convinced piling on unnecessary difficul-

* Communicated to Mr. Polk in memorandum, May 28. [Footnote in the original; memorandum referred to not found in files.]

ties hurt world more than hurt Socialists. We here to study, discuss and accumulate material for humane ends. Only if these difficulties from outside are made will conference be fruitless, otherwise timely.

To *Tribune's* question concerning what European delegates thought would be effect of American participation in conference, reply: "Very useful because we believe American Socialist would take truly international views, thereby helping clear situation."

Undoubtedly been efforts certain section foreign correspondents to belittle conference by ridicule and distortion of aims; your correspondent was addressed these words: "What you think of joining campaign to present these fellows as here on party funds and having good time?" Though suggestion made half in levity, it personally insulting and treasonable to humanity. Truth is preliminary conferences doing more hard work daily than done in Stockholm legations weekly. Members far from living in luxury, stay modest hotels. One representative important foreign news service remarked half dozen times last fortnight *à propos* tenor his dispatches on conference: "I think I have killed it." Meanwhile work goes on and conviction growing among many cautious observers that in ultimate effect governmental anti-conference policies will prove shortsighted and that governments may discover they have forced peace by fighting peace.

Scheidemann and German Majority delegation confers with Dutch-Scandinavian Committee Monday morning. German Minority delegation arrives Stockholm Monday. Dutch-Scandinavian Committee says whether two delegations meet depends wholly on their individual wishes.

File No. 763.72119/646

The Secretary of State to the Editor of the Chicago "Tribune"
(McCormick)

WASHINGTON, *June 14, 1917.*

DEAR MR. MCCORMICK: I thank you very much for your letter of the 12th enclosing a cablegram from your correspondent in Stockholm. I appreciate very much the spirit which prompted you to withhold publication and assure you that the message will receive careful consideration.

Sincerely yours,

ROBERT LANSING

File No. 763.72119/650

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *June 18, 1917, 7 p. m.*
[*Received June 19, 7.30 a. m.*]

470. Max Goldfarb, with Jewish paper *Forward*, New York, claiming represent American Socialist Party, and Boris Reinstein, who is representative Socialist Labor Party, and D. Davidovitch, who represents Socialist Territorialist Labor Jewish Party in America, all of whom sailed on the steamer *Oscar II*, arrived here to-day to attend so-called International Socialist Conference. I am reliably informed by persons who have had conferences with these men that they came to represent at Stockholm conference American Socialist parties by whom they say they have been appointed to attend the conference as official representatives of American Socialists. They state that they have no written credentials; that their credentials were telegraphed by Morris Hillquit [1] to the Secretary of the Stockholm conference after the *Oscar II* left Halifax.

Boris Reinstein states that he is an American citizen; that he obtained an American passport which was revoked when it was found that he was to attend the Stockholm conference. I call the attention of the Department to the fact that according to his own statement Reinstein came on the *Oscar II* without a passport of any kind but he declines to give any explanation of how he passed officials at New York and Halifax. Goldfarb is probably not an American citizen. He evades questions as to his citizenship and probably has not a passport. Davidovitch is Russian. These three men are being given very considerable publicity in Swedish press and I recommend that Department cable me statement on the matter to be given to press.

MORRIS

File No. 763.72119/660a

The Secretary of State to the Minister in Sweden (Morris)

[Telegram]

WASHINGTON, *June 22, 1917, 5 p. m.*

250. The Department will shortly send you information to be discreetly used if you deem it desirable in counteracting statements of Reinstein, Goldfarb and Davidovitch. In the meantime, you may,

[1] Chairman of the National Committee of the Socialist Party in the United States.

if desirable, unofficially tell the Swedish press that Victor L. Berger, the American Socialist, has publicly stated that these men do not represent the American Socialist Party, and that none of them has the right to speak for Mr. Berger's organization. At the national Socialistic headquarters in Chicago it was publicly stated that Goldfarb had never been authorized to speak or act for the Socialist Party. Reinstein belongs to the Socialist Labor Party. In the last election this party cast 13,000 votes out of a total of more than eighteen and a half million which shows of how little importance Reinstein's organization is.

LANSING

File No. 763.72119/672a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *June 28, 1917.*

1521. For James Duncan:[1]

The following cablegram was sent to Lindqvist, Oudegeest, Appleton, Jouhaux:

The Executive Council of the American Federation of Labor in session after due deliberation upon invitations received from Lindqvist and from Oudegeest of Amsterdam, Holland, to send delegates to a conference proposed to be held at Stockholm September 17 decided that we regard all such conferences as premature and untimely and can lead to no good purpose. We apprehend that a conference such as is contemplated would rather place obstacles in the way to democratize the institutions of the world and hazard the liberties and opportunities for freedom of all peoples. Therefore, the American Federation of Labor with its 2,500,000 members cannot accept invitation to participate in such a conference. If an international trade union conference is to be held it should be at a more opportune time than the present or the immediate future, and in any event the proposals of the American Federation of Labor for international conference should receive further and more sympathetic consideration. Shall be glad to continue correspondence. Gompers.

Executive Council sends greetings and best wishes for full success your mission for cooperation, freedom and democracy. Samuel Gompers.

LANSING

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[1] First Vice President of the American Federation of Labor, member of the special mission to Russia.

File No. 816.00/587a

The Acting Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *July 16, 1917, 9 p. m.*

1574. Press reports that secretary of Socialist Party in the United States has received invitation from N. S. Tscheidse, President of Russian Council of Workmen's and Soldiers' Delegates, to participate in a conference to be convoked by the Council presumably to be held in Petrograd and expresses firm hope that American party will accept. Socialist Party has apparently answered expressing willingness to accept if this Government will permit.

It is pointed out that in the former case invitation came from body which had no official relation to the Russian Provisional Government while in this case invitation comes from one of the most powerful branches of the Russian Government which is committed against "a German peace."

Please telegraph proposed date of conference and whether it may be considered official or held under the auspices of the Provisional Government.

Discreetly investigate and telegraph what will be attitude of British and French Embassies towards the conference and whether you believe German interest involved.

POLK

File No. 763.72119/693a

The Acting Secretary of State to the Ambassador in Great Britain (Page)[1]

[Telegram]

WASHINGTON, *July 20, 1917, 3 p. m.*

5173. Morris Hillquit of the Socialist Party in the United States has applied for a passport to attend Socialist conference called by the Council of Workmen's and Soldiers' Deputies of Russia and has shown to the Department a telegram addressed to him by Tscheidse, President of the Council, inviting participation by American delegates.

Please ascertain immediately from the British Government its attitude toward the conference; whether it will approve the attendance of British delegates thereto; whether it is believed that the conference will be held under the auspices of the Provisional Govern-

[1] The same, *mutatis mutandis*, on the same date, to the Ambassador in France (No. 2471).

ment of Russia and is therefore to be considered as official; and whether it is thought that German intrigue is involved.

Please reply by telegraph as soon as possible.

POLK

File No. 763.72119/682

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *July 20, 1917, 2 p. m.*
[Received July 21.]

1535. Answering your 1574, received yesterday. Russian Council of Workmen's, Soldiers' Deputies not officially connected with Provisional Government but named four members thereof when coalition Ministry formed who still participate in Council meetings. Those Ministers hold following portfolios: Agriculture, Post-Telegraph, Labor, Justice. Last named resigned at dictation Workmen, Soldiers. Godnev, Comptroller, not resigned as reported.

Six Russian Socialists gone to England, France, Italy, to arrange Socialist conference, Petrograd, which should be checkmated if possible. Effect thereof injurious to entire situation, especially morale at front. Moreover, in my judgment Socialist conferences, if held, should be confined to Allied cities and located some more accessible place than this city, and if possible should be avoided altogether because Duncan [*Russian*] Socialists more bent on promulgating their doctrine than prosecuting war to successful finish to which I think everything should be subordinate. More later.

FRANCIS

File No. 763.72119/683

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *July 22, 1917, midnight.*
[Received July 23, 1.47 p. m.]

2320. Your 2471, July 20,[1] received very late last night. By appointment discussed subject matter this afternoon with Cambon. He stated that he expected the matter would be definitely determined next Tuesday at a meeting at which Balfour, Lloyd George and Sonnino would be present and outside of the so-called Balkan conference to be held on the following day. He said that undoubtedly England, France and Italy would act in unison in reference to

[1] See No. 5173 of that date to the Ambassador in Great Britain, *ante*, p. 746.

the question of permitting attendance of delegates to the Socialist Conference. I gather from what he said that only the fact that the Socialists were strong in both France and England would cause their demands to be given consideration. He said that if the Socialists from France attended the conference it was understood that they were willing to limit the range of their discussion and action to certain agreed subjects. I would say that his attitude, and I believe the same is true of other influential members of the Government, is strongly opposed to granting such permission. Cambon said that it was very difficult in the present state of affairs in Russia to decide what acts might be considered as official in the Provisional Government of that country. I understand that the one appointed by the Russian Government as Ambassador to France some weeks ago might not now be sent because of a change in the Russian Ministry. I inferred from what he said that if finally delegates from France should attend that conference it would not be under the form of an official sanction as such.

Mr. Cambon strongly expresses the opinion that German intrigue is emphatically involved promoting such a conference as it has been in other directions. He told me an interesting story of how a former resident, prominent in Berlin and well known to him while he resided there as Ambassador had recently confided in the Belgian Minister to the effect that Germany recognized that it would be impossible to win the war and that she had some time ago determined to foment discord wherever possible in all the other countries; that finally as a result of such interminable turmoil and unsettled conditions, Germany, remaining alone undisturbed thereby, would stand forth in a position of such prominence as to compel the powers to accord to her a strong position in securing favorable terms of peace. As soon as I get definite information as to the outcome of the conference above mentioned, as to permitting delegates to attend the Socialists' meeting, I will telegraph you.

SHARP

[For an account of a conversation between the British Prime Minister and the American Ambassador in France, in which the former suggested the advisability of allowing a delegation from the United States headed by Mr. Gompers to attend the Stockholm conference, see the Ambassador's telegram No. 2334, July 26, *ante*, page 149.]

File No. 763.72119/689

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 27, 1917, 1 p. m.*
[*Received July 27, 12.30 p. m.*]

6826. Your 5173, July 20, 3 p. m. Mr. Arthur Henderson states that the Stockholm conference will be held with the full approval of the Provisional Government in Russia; that the British Labor Party have decided in principle to support this conference; and that a national British Labor conference will be held in August to select representatives and to give them their mandate. German intrigue will undoubtedly be attempted, though to what extent it is impossible as yet to foretell. PAGE

File No. 763.72119/693b

The Acting Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *July 28, 1917, 5 p. m.*

5222. Department assumes that your reference to "Stockholm conference" was intended for "Petrograd conference."

POLK

File No. 763.72119/694

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *July 30, 1917, 2 p. m.*
[*Received 7.28 p. m.*]

6848. Your 5222, undated [*July 28, 5 p. m.*]. No. The reference to Stockholm conference is correct, for that is where it is to be held. Information contained in my 6826, July 27, 1 p. m., obtained from Mr. Arthur Henderson. No definite decision has yet been arrived at by British Government as to the attitude which will be finally adopted towards this conference. Shall keep you informed of developments. PAGE

File No. 763.72119/708

The British Embassy to the Department of State

MEMORANDUM

His Majesty's Government [*sic*] has received instructions to inform the United States Government with a view to avoiding possible misconception that the fact that Mr. Henderson is accompanying the Russian and English Socialist delegates to Rome and Paris does not in any way commit His Majesty's Government to any decisions that may be arrived at by the Socialist conferences in those Capitals nor to the general policy which was proposed at the Socialist conference at Stockholm.

WASHINGTON, *August 1, 1917.*

File No. 763.72119/702

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *August 2, 1917, 8 p. m.*
[*Received August 3, 11.30 a. m.*]

2354. Your 2471, July 20, 3 p. m.[1] For the past few days a number of Russian and English Socialist representatives have been holding conferences with the Socialist members in Paris discussing plans for holding an adjourned meeting at London next week and later for attending the Stockholm conference scheduled for some time in September. The utterances of these representatives as quoted in the Paris press while of a rather conservative tone do not appear to have met with favor of the French Government. Mr. Cambon to-day expressed the hope that President Wilson would not look with favor upon Socialist representatives from the United States attending the Stockholm conference. He seemed to think that it might be grave question as to whether Mr. Henderson, prominent Socialist member of the British Cabinet, would be permitted to resume his seat after having come over to attend the preliminary Socialist conference in Paris without the consent of his Government. Personally he did not favor such drastic measures against him. I am convinced that neither England, France nor Italy will permit delegates to go to Stockholm.

Mr. Cambon informed me in this connection that it was expected that the Premier would be to-day vigorously interpellated [since] questions have arisen as to the attitude of the Government on the

[1] See No. 5173 of that date to the Ambassador in Great Britain, *ante*, p. 746.

proposed Stockholm conference and likely involving question as to relations with Russia. In reference to the latter subject, and the charges made by the German Chancellor as to the relations between France and Russia before the revolution, all the papers strongly support the reply of Ribot to the Chancellor's declarations. They characterize the Chancellor's effort as being [untruthful?] and fruitless, the Allies being drawn closer together.

SHARP

File No. 763.72119/703a

The Acting Secretary of State to the Ambassador in Great Britain (Page)[1]

[Telegram]

WASHINGTON, *August 3, 1917, 5 p. m.*

5251. Please advise Department immediately of the policy of the British Government in permitting Socialists to attend Stockholm conference.

POLK

File No. 763.72119/705

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 4, 1917, 8 p. m.*
[*Received August 4, 6.40 p. m.*]

6893. A conference of representatives of the Labor and Socialist parties of the Allied countries is to be held in London on August 28 and 29. This conference meets with the approval of the British Government and it is hoped that facilities will be extended to any American representatives who may wish to attend.

PAGE

File No. 763.72119/704

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 4, 1917, 9 p. m.*
[*Received August 4, 7 p. m.*]

6894. Your 5251, August 3, 5 p. m. As previously explained, the British Government has not yet decided upon a definite policy in regard to attendance of British delegates at Stockholm conference. Lord Robert Cecil states that this matter is receiving consideration

[1] The same, *mutatis mutandis*, on the same date, to the Ambassador in France (No. 2514).

and a conclusion should be reached within a few days. Judging from recent events official opinion would seem to be consolidating into strong disapproval of any British participation whatever.

PAGE

File No. 763.72119/709a

The Secretary of State to the Ambassador in Great Britain (Page)[1]

[Telegram]

WASHINGTON, *August 7, 1917, 5 p. m.*

5267. Department notified Morris Hillquit, Socialist delegate to Copenhagen [*Stockholm*] conference, would not be given passport.

LANSING

File No. 763.72119/711

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *August 7, 1917, 4 p. m.*
[*Received 10.15 p. m.*]

2370. Your 2554 [*2514*], August 3.[2] Confirming their views expressed in my 2354 of 2d instant, Mr. Cambon informed me last night that France was unalterably opposed to allowing its Socialist delegates to attend the conference at Stockholm. He assured me that England and Italy would also pursue the same course. The action taken by Mr. Gompers in reference to attending the conference,[3] which is published here, is commented on most favorably by several of the leading official papers.

SHARP

File No. 763.72119/718

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 13, 1917, noon.*
[*Received 3.25 p. m.*]

6937. Mr. Arthur Henderson's action without the sanction of his colleagues in the British Government regarding British participation in the Stockholm Labor Conference has resulted in his being forced to resign from the Cabinet. His successor will probably be Mr. George N. Barnes, the Pensions Minister.

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[1] The same, on the same date, to the Ambassador in France (No. 2523).
[2] See No. 5251 of that date to the Ambassador in Great Britain, *ante*, p. 751.
[3] See telegram No. 1521, *ante*, p. 745.

In view of the misleading [*sic*] nature of Henderson's speech at the labor meeting last Friday which appears to have decided the vote, it now seems very unlikely that British labor delegates will go to Stockholm in spite of Friday's tentative decision to participate on condition that the conference be regarded as consultative only.

PAGE

File No. 763.72119/721

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *August 14, 1917, 1 p. m.*
[*Received 3.30 p. m.*]

6951. My 6937, August 13, noon. Bonar Law stated in Parliament yesterday that it is not legal for any persons resident in British dominions to engage in conference with enemy subjects without the license of the Crown duly given and that the Government has decided that permission to attend the Stockholm conference will not be granted. The King has approved the appointment of Barnes to succeed Henderson as Cabinet Minister.

PAGE

File No. 763.72119/736

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *August 16, 1917, 6 p. m.*
[*Received August 19, 5.15 p. m.*]

1634. When calling Foreign Office yesterday was directed to Winter Palace where Kerensky and Minister for Foreign Affairs were conferring. Subject appeared Stockholm Socialist Conference which had caused Henderson to leave British War Committee and threatened similar fate from Thomas in France. Papers stated you had refused American Socialists passports therefor, at which Kerensky and Minister for Foreign Affairs expressed regret saying such action magnified importance of conference and would give its deliberations weight which it otherwise would not carry. Said Russia would issue passports therefor because refusal would be impolitic; that Russia looked upon conference as international meeting of party with which Provisional Government has no official connection and whose resolutions or action would by no means control coalition Ministry whose policy can not be swerved from vigorous prosecution of war; said furthermore desirable that American Socialists and Federation of Labor be represented to counteract or oppose influ-

ence of German Socialists which was reply to my statement that we could not guarantee that American Socialists attending would not vote with German Socialists and that our Federation of Labor with membership of over two million had declared against international Socialist conference. They did not ask me formally to request issuance of such passports but evidently expected me to communicate their views. British, Italian and French Ambassadors lunched at the Embassy yesterday to meet Billings and Thompson.[1] British Ambassador had no official information but thought his Government had refused passports for conference. French Ambassador expressed himself as opposed to conference but not advised by his Government what action will be taken; Italian Ambassador likewise. Furthermore appears to me as if many representative Socialists, who are Americans first, have left the party and that internationalist sentiment dominates that organization in America. Is such the case? Date of conference not fixed. Have you announced decision as reported? In my judgment we should refuse passports if England and France do or if England alone does.

Minister for Foreign Affairs and the Minister of Finance tell me conditions at front improving. Kornilov here. Endeavoring to meet him.

Later. Since above was written have read Minister for Foreign Affairs' statement in morning press. He assumes substantially position as outlined above concerning Stockholm conference. British Ambassador interviewed on the same subject and states labor vote on attending conference represents only one element of English people and his Government unlikely be influenced thereby if other elements equally important fail to alter. If America, England and France not represented, conference will be ineffective and probably abandoned.

FRANCIS

File No. 763.72119/736

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *August 28, 1917, 4 p. m.*

1655. Your 1634, August 16, 6 p. m. Department has refused to issue passports to persons desiring to attend Stockholm conference. Application of Morris Hillquit was specifically refused. It is true that there was a split in the American Socialist Party and the element which desires participation in the Stockholm conference is in

[1] Dr. Frank Billings and William B. Thompson, of the American Red Cross Mission to Russia, 1917.

a great minority. The Socialist Labor Party is strongest for participation at Stockholm. In last presidential election this party cast for its candidate 13,000 votes out of a total of more than eighteen and a half million.

LANSING

File No. 763.72119/786

The Minister in Sweden (Morris) to the Secretary of State

[Telegram]

STOCKHOLM, *August 30, 1917, 5 p. m.*
[*Received August 31, 2.15 a. m.*]

697. My 672.[1] Axelrod, leader of Internationalist section of Mensheviki and one of the Russian leaders of the Stockholm Socialists' Conference, has said in part:

America is endangering future of humane culture by preventing peace. If the President does not permit American delegates come to Stockholm he will indicate that his country is more reactionary than despotic Germany.

MORRIS

UNITED STATES DECLARATION OF RESPECT FOR THE NEUTRALITY OF SWITZERLAND

File No. 763.72/7547

The Chargé in Switzerland (Wilson) to the Secretary of State

[Telegram]

BERNE, *November 1, 1917, 5 p. m.*
[*Received November 3, 5.05 a. m.*]

1969. Ador, Chief of Political Department, in conversation October 31, told me that at beginning of war Italy voluntarily addressed a letter to the Swiss Federal Council stating that although Italy was not a signatory to the treaty guaranteeing the neutrality of Swiss territory still Italy would not violate that neutrality.

Ador suggested that it would have a most happy effect upon Swiss opinion and as he stated "shut the mouths of the Germans" if America would voluntarily make some such statement or authorize me to make it. He explained that there was a certain uneasiness in Switzerland as to America's intentions, intimating that it was aided by German propaganda, since we had not signed the treaty of neutralization. At my suggestion he admitted that General Wille's unfortunate phraseology (see my press telegram 1821 of

[1] Not printed.

October 8[1]) had strengthened it. He took pains to assure me that this was merely an informal suggestion on his part.

My impression is that once this matter has been broached to our Government, no matter how informally, some declaration should be made, perhaps to the effect that United States will not violate neutrality of Switzerland so long as latter maintain that neutrality.

Note from Italian Minister referred to dated August 19, 1914, after preamble, reads in translation:

Although Italy is not one of the signatory powers to the act of November 20, 1815, recognizing and guaranteeing the perpetual neutrality of Switzerland and the inviolability of its territory the Government of the King is always inspired by the principles consecrated by this act and is firmly resolved to observe this attitude in the future.

WILSON

File No. 763.72111N39/131a

The Secretary of State to the Ambassador in Great Britain (Page)[2]

[Telegram]

WASHINGTON, *November 24, 1917, 3 p. m.*

5895. Department is in receipt of an intimation from Berne to the effect that it would be well received if this Government would voluntarily announce that the United States will not fail to observe the principle of neutrality applicable to Switzerland and the inviolability of Swiss territory so long as the neutrality of Switzerland is maintained by the Federation and respected by the enemy. The Department would be glad to have you inquire of the Government to which you are accredited whether any objections are seen from a military or other point of view to such a declaration on the part of the Government of the United States. Please expedite.

LANSING

File No. 763.72111N39/67

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *November 27, 1917, 12 p. m.*
[*Received November 28, 10.10 a. m.*]

2809. Your 2848, November 24, 3 p. m.,[3] via London. I discussed this subject this afternoon with Mr. Cambon of the Foreign Office

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[1] Not printed.

[2] The same, on the same date, to the Ambassadors in France (No. 2848) and Italy (No. 984).

[3] See telegram No. 5895 of that date to the Ambassador in Great Britain, *supra*.

and in a note just received from him to-night, after stating the question as outlined in your telegram he concluded as follows:

I hasten to inform you that upon this subject I have asked the opinion of the Minister for Foreign Affairs who charged me to tell you the French Government saw no objection to the United States making the declaration which is suggested to it by the Swiss Government.

In our talk Mr. Cambon expressed his satisfaction over such action to be taken by our Government and said very promptly that he could answer then and there that there would be no objection on the part of the French Government, only he felt he should have a formal expression on the subject from the President of the Council himself. At the same time he declared the situation in Switzerland to be serious and the fidelity of the Swiss Army to be open to grave doubts.

SHARP

File No. 763.72111N39/72

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *November 29, 1917, 11 a. m.*
[Received 1.55 p. m.]

7832. Your 5895, November 24, 3 p. m. Lord Robert Cecil, in charge Foreign Office during Balfour's absence in Paris, informs me that his Government has no objection to such a declaration by Government of the United States, but he thinks it better that all principal Allied powers should make such a declaration at same time if any make it. A declaration by one great power might suggest suspicion that others were not willing to make declaration. He declared the British Government quite willing to make declaration and he expressed hope that the French would also.

PAGE

File No. 763.72111N39/132

The Ambassador in Italy (Page) to the Secretary of State

[Telegram]

ROME, *November 30, 1917, noon.*
[Received 4.06 p. m.]

Department's 984, November 24, 3 p. m.[1] Foreign Office informs me verbally, Baron Sonnino to whom matter was directed, telegraphs

[1] See telegram No. 5895 of that date to the Ambassador in Great Britain, *ante*, p. 756.

to-day from Paris that he sees no objection to United States making desired declaration to Swiss Government. Foreign Office promises written confirmation.

NELSON PAGE

File No. 763.72111N39/133A

The Secretary of State to the Chargé in Switzerland (Wilson)

[Telegram]

WASHINGTON, *November 30, 1917, 5 p. m.*

1171. You are instructed to formally present the following communication to the Minister of Foreign Affairs:

In view of the presence of American forces in Europe engaged in the prosecution of the war against the Imperial German Government, the Government of the United States deems it appropriate to announce for the assurance of the Swiss Confederation and in harmony with the attitude of the co-belligerents of the United States in Europe, that the United States will not fail to observe the principle of neutrality applicable to Switzerland and the inviolability of its territory, so long as the neutrality of Switzerland is maintained by the Confederation and respected by the enemy.

LANSING

File No. 763.72111N39/137

The Chief of the Swiss Political Department (Ador) to the American Chargé (Wilson)[1]

[Translation]

No. 113 G.R. BERNE, *December 12, 1917.*

MR. CHARGÉ: In a note of the 3d instant you were kind enough to inform the Political Department that you had been charged by the Department of State to inform the Federal Council that the presence of American troops in Europe, taking part in the war against the Imperial German Government, had led the Government of the Union to inform the Swiss Confederation, the same as its co-belligerents in Europe, that the United States will not fail to observe towards Switzerland the principle of neutrality and inviolability of its territory as long as this neutrality is maintained by the Confederation and respected by the enemy.

In the name of the Federal Council I have the honor, in acknowledging this declaration, to beg you to transmit to your Government the thanks of the Federal Council for this new proof of the sentiments of friendship that the United States has always manifested towards Switzerland.

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[1] Transmitted by the Chargé in Switzerland in despatch No. 1927, Dec. 12, 1917 (received Jan. 3, 1918).

The Federal Council can only renew the declaration of neutrality that it had the honor to notify to Washington April 20, 1917,[1] insisting particularly on its firm and unwavering determination to maintain and defend its neutrality and inviolability of its territory by all the means at its disposal against any person.

At the same time the Federal Council has the honor to declare that by virtue of its sovereignty and in accordance with the declarations of the powers who signed the treaties of Vienna and Paris of 1815, in particular of that of the 20th of November, the Swiss Confederation, to whom it appertains to take the necessary measures for the defense of its territory, will maintain its neutrality by its own forces and will repel a violation of its frontier if this occurs.

Referring to these acts and to its declaration of neutrality of August 4, 1914,[1] as well as to later declarations, especially the notification made at Washington by the Swiss Minister on April 20, 1917, the Federal Council believes that it appertains only to it to decide in what conditions it might appear opportune to appeal to the assistance of foreign powers.

Receive [etc.]

SWISS POLITICAL DEPARTMENT,
ADOR

RELATIONS OF THE UNITED STATES WITH THE POLISH NATIONAL COMMITTEE

File No. 860c.01/54

The British Embassy to the Department of State

MEMORANDUM

Intelligence received lately by His Majesty's Government of the progress of events in Poland shows clearly that Germany and her allies have been greatly concerned by the situation there, and His Majesty's Government are of the opinion that the efforts of the Polish people to obtain their freedom and their independence should be supported in every possible way, and that they should be similarly discouraged from listening to the specious assurances of the enemy of a spurious independence. The feeling that they are being abandoned by the Allies and their prolonged sufferings are calculated otherwise to make them welcome these assurances.

The need for action of the nature indicated would appear to have become all the greater owing to the late changes in the German Government which portend a more rigorous policy in Poland as milder methods must have been unsuccessful.

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[1] Not printed.

In consequence His Majesty's Government propose that all Poles, whether of German, Austrian or Prussian origin, living in the countries of the Allied powers should be granted open recognition as friends and potential allies.

Such a step would crystallise the idea of a separate and free Polish state and people in the minds of the public in the countries of the Allied Governments, and it would be in the nature of a guarantee to the Polish people themselves that their claims to independence were being backed by the Allies.

As a corollary to such action it would be highly desirable to establish a committee to represent the Polish community in each of the Allied countries. Such a body would be valuable, if recognised by the Government, in affording assistance in case of necessity to the individual members of the communities, of whatever origin they might be, in requesting for them the protection of the Government and in giving guarantees for them, as well as in serving as a means of communication with Polish patriots.

His Majesty's Government are anxious to learn the opinion of the United States Government on this subject.

WASHINGTON, *July 23, 1917.*

[*Received July 24.*]

File No. 860c.01/21a

The Secretary of State to the Ambassador in Great Britain (Page)

[Telegram]

WASHINGTON, *August 27, 1917, 5 p. m.*

5344. Department has been considering for several months means looking to the support of the Polish people in their efforts to obtain their freedom and to restore Poland as an independent nation. It has been suggested that a great stimulus might be given to the Polish cause, and, indirectly to the general cause against Germany, by the establishment in this country of a Polish provisional government to be recognized by this Government and the Allied Governments as the government of an independent Poland. Upon such recognition this Government could legally loan the government so set up funds for military purposes secured by Polish bonds underwritten by this country and the Allies. The further suggestion has been made that such a government thereupon recruit Poles resident in this country, if naturalized Americans either above or below the draft age, and if aliens, of any age. The army so recruited to be trained in Canadian camps supplied by the English and when trained to be transported to Europe on English transports. This

army to be commanded by an American or Polish general under either the American or Polish flag and to fight in conjunction with American troops in France.

You are requested informally and orally to sound the British Government, ascertaining whether the present time is considered opportune for action as above suggested. In the event that the British Government is favorably inclined to this proposition, please report any suggestions it may have as to the method to be adopted to secure proper representation of the Polish people in any government to be established in this country. You may suggest, informally, that it might be possible by a proclamation of the President, accepted by the Allies, to offer the Polish people the assistance of this country toward the formation of a provisional government and the establishment of a military force to be used in conjunction with the armies already fighting Germany.

There seems to be a rather varied opinion among the Poles as to the method to be adopted in the premises. Apparently, however, the majority of them feel that the initiative in any such project must be taken by this country. As you probably know, there is already established in France an autonomous Polish Army, fighting under the generalship of the French and recruited from Poles now residing in France. It does not seem altogether practicable, however, further to recruit this army from Poles resident in this country.

Report on this matter by cable as soon as possible.

LANSING

File No. 860c.01/21

The British Embassy to the Department of State

MEMORANDUM

His Majesty's Government have received official notification of the constitution of a National Polish Committee the seat of which is to be Paris.

The committee propose to undertake:

1. The representation of Polish interests in Great Britain, the United States and Italy and any other country in which Polish interests may render this necessary;
2. To deal with political questions arising out of the recent constitution of a Polish Army to fight on the side of the Allies;
3. The protection of persons of Polish nationality in Allied countries.

Among the members of the committee are Piltz, Seyda, Sobanski, Zamoyski and Paderewski.

His Majesty's Government are inclined officially to recognize this committee but would be glad of the views of the United States Government on the proposal, before they take any action, in view of a recent suggestion by the United States Ambassador at London that His Majesty's Government should recognize a Polish provisional government in the United States.

WASHINGTON, *September 3, 1917.*
[*Received September 4.*]

File No. 860c.01/22

The Ambassador in Great Britain (Page) to the Secretary of State

[Telegram]

LONDON, *September 4, 1917, 4 p. m.*
[*Received September 5, 6.20 a. m.*]

7098. Your 5344, August 27, 4 p. m. [*5 p. m.*]

A committee of Poles representing all parts of the country, German, Russian, and Austrian Poland, has been organized in Paris to do practically what the proposed provisional government in the United States would do and this committee is represented to the British Government as being more completely representative than any other and as having working relations with bodies of Poles in Poland. With his present knowledge of that committee and of the plan proposed by you Lord Robert Cecil is disposed to see what the committee can accomplish before committing himself to the approval of your plan. In spirit, however, he heartily agrees with your purpose, and would welcome further information.

He thinks well of the raising of a Polish army in the United States. What help the British Government can give he can determine only after a more definite plan is submitted. And he would like to see a plan of what you think can be done. Concerning transporting such an army he reserved an opinion till he can be informed how large it is likely to be, hinting he could then consult the Admiralty. In general he falls in with the plan to raise such an army and awaits further information.

PAGE

File No. 860c.01/62

The Representative of the Polish National Committee (Paderewski) to President Wilson

[Telegram]

CHICAGO, *October 4, 1917.*

MR. PRESIDENT: The Polish National Department of Chicago has conferred upon me the great honor of addressing you at this momen-

tous hour. The National Department is a federation of all important Polish organizations in the United States, including Polish National Alliance, 130,000 members; Polish Roman Catholic Union, 115,000 members; Polish National Council, over 200,000 members; Association of Polish Clergy in America, 800 members; Polish Falcons Alliance, 25,000 members; Polish Women's Alliance, 25,000 members; Polish Alma Mater, 8,000 members; Association of Poles in America, 8,000; Polish Brotherhood of St. Joseph, 8,000 members; Polish Union of Buffalo, 15,000 members; Polish Union of Wilkes-Barre, 20,000 members; Alliance of Poles in America, Cleveland, 8,000 members; Polish Uniformed Society, 5,000 members; Alliance of Polish Singers, 3,000 members; representing an overwhelming majority, approximately 90 per cent of Polish people living in this country.

A great many of these people are loyal citizens of the United States. Led by a profound sense of gratitude and devotion to their adopted country, stirred by unbounded affection for your exalted person, they are fulfilling the duties imposed upon them by the solemnity of circumstances in a way surpassed by none. Still many others, thousands of whom have joined the colors, are residents only, residents contributing efficiently by their honest labor to the development and increase of American prosperity.

They are hard-working people. Out of over four millions of them not one is a millionaire. But every one is willing to take his humble share in the glorious work of Poland's reestablishment so magnanimously proclaimed by you, Mr. President, in your immortal message of January 27.

The situation in Poland is more critical than ever. Not only did the suffering of the population reach a degree of almost unbearable intensity, but there is also a menace, a continuously growing and immediate menace of a large Polish army being formed by Central powers against the Allies, for there are still in the vast occupied territory over a million men available for military service. Besides, the country has had no government of its own, no directing political organization, no representatives recognized by foreign powers. In consequence, various not precisely disinterested individuals have been swarming Allied countries, misinforming authorities, misleading public opinion, misrepresenting Poland. Realizing political and strategic necessity of checking the designs of our common enemy, the French Government resolved to form a national Polish army on the western front and we have been informed that the United States Government would make no objections to recruiting of Polish volunteers in this country. Furthermore, both British and French Governments in order to put an end to the nefarious pro-German intrigue agreed to recognize the Polish National Committee recently formed in Paris as official experts on Polish questions and unofficial

representatives of the Polish nation provided that the United States Government would recognize it as well. The Polish National Committee, headed by Poland's ablest and strongest statesman, Roman Dmowski, has already received assurances of loyal support and cooperation of an immense majority of Polish people wherever living. The Poles from America sent to the Polish National Committee the following message:

Conscious of the importance of our act and the solemnity of the occasion, we have this day unanimously agreed to unite with the National Polish Committee in Paris. We welcome with joy our representation on this committee in the person of Ignace Jan Paderewski. We pledge our loyal cooperation and acknowledge the political supremacy of your committee. At the same time we desire to express our conviction that your committee should embrace representatives of as many Polish political parties as possible, in order to strengthen its authority. We further believe that the collective assurance from the Allied Governments that a united independent Poland with access to the sea as one of the objects of the war is essential to the success of the committee's activities. With assurance of loyalty and fraternal greeting. National Polish Department.

Mr. President, the issue of this gigantic struggle between light and darkness, between right and brutal power depends on you. The fate of peoples and governments is in your hands. The wealth and might of this huge Republic made you the principal leader of consolidated human efforts; the greatness and generosity of your character made you the supreme commander of God's forces. You are the foster-father of a chiefless land. You are Poland's inspired protector. For many a month the spelling of your name has been the only comfort and joy of a starving nation. For many a month among the ruins of a devastated country millions of people have been feeding on you.

Now on the 14th of October the bells of Polish churches, of those still remaining, will call upon the faithful to join in fervent prayer in memory of the noble hero departed a hundred years ago, Thaddeus Kosciuszko. If on that day the news could reach the country that the Polish National Committee in Paris has been recognized, the Polish national army has been sanctioned by our beloved President Wilson, this would certainly give new strength, new hope and new courage to the stricken nation which trusts but God and you.

This is the object my people entrusted me to most respectfully lay before you, together with their unanimous offering of veneration and everlasting gratitude.

I beg to remain [etc.] I. J. PADEREWSKI

Public Statement Issued by the War Department [1]

It has been brought to the attention of the War Department that the military commission of the National Department of the Polish Central Relief Committee, located in Chicago, Ill., intends to start, on October 7, 1917, an active campaign for recruiting for the Polish Army now fighting on the western front in France.

The War Department has been advised that no individual of Polish nationality resident in the United States who is in any way subject to the draft will be accepted as a recruit by this military commission.

Having in mind the attitude of this Government toward a united and independent Poland, the War Department is glad to announce that it is entirely in accord with the proposed plans of this military commission.

File No. 860c.01/29a

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *October 8, 1917, 4 p. m.*

2703. Department has been advised that a National Polish Committee has been organized with headquarters in Paris, under the presidency of Roman Dmowski, and that among the other members of the committee are Piltz, Seyda, Sobanski, Zamoyski and Paderewski. Department has been further advised that there has been organized a Polish National Department with headquarters in Chicago constituting a federation of all important Polish organizations in the United States. Paderewski is the official representative of this organization.

Please at once get in touch with members of National Polish Committee in Paris and state to them that you will gladly transmit to your Government a formal definite request by their committee for recognition, such request to state:

(1) Purposes of committee;
(2) Factions or parties represented by the committee;
(3) Nature of recognition desired.

If a formal written request of this character is handed you, please cable substance of it at once to Department.

This Government is inclined to recognize officially this committee provided its personnel is as stated above and its purposes in accord with the statements made to Department by its representatives in this country, among whom is Paderewski.

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[1] *The Official Bulletin*, Washington, Oct. 8, 1917 (Vol. 1, No. 127), p. 3.

Please furnish Department with this information as speedily as possible, because, if action is to be taken, Department wishes to make announcement on October 14, the anniversary of the death of Kosciuszko.

LANSING

File No. 860c.01/31

The British Embassy to the Department of State

MEMORANDUM

The British Embassy are instructed to inform the Department of State that His Majesty's Government are prepared to reply to the request of the Polish National Committee for recognition, by stating that they are very willing to recognise it as the official Polish organisation and that they consent to the establishment of the central seat in Paris.

The French Government have already replied in this sense and, if the United States Government agree, His Majesty's Government would like to take simultaneous action.

As soon as Mr. Secretary Balfour learns the views of the United States Government he will invite the Italian Government to take similar action and will also inform the Russian Government.

WASHINGTON, *October 11, 1917.*

File No. 860c.01/32

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *October 11, 1917, midnight.*
[*Received October 12, 1.10 p. m.*]

2591. Your 2703, October 8. By appointment I was able to-day to see Mr. Dmowski, president, and Mr. Piltz, representative for France of the French-Polish Committee organized on the 15th of August and having its headquarters in Paris. The personnel of this committee is as follows: Messrs. Dmowski, Paderewski, Piltz, Rozwadowski, Seyda, all of them except Paderewski reside in Paris. In addition, Mr. Skirmunt, who represents the committee in Rome, and Count Sobanski, in London. I am informed that the committee is in continual and direct contact with Mr. Paderewski in America. A written statement given to me by Mr. Piltz, says that the committee holds its authority from a secret mandate of the Polish national organization forming the great majority of Poland. In order that it might be equal to the task which devolves upon it not only in

regard to probable national politics, but also in regard to the Allied powers, it considered it indispensable that it should be recognized by the four Allied powers—the United States, France, Great Britain and Italy. The committee's action does not extend to Russia, where a distinct Polish organization exists created by the National Congress at Moscow, with which the committee intends to be in continual connection.

The President of this committee, Mr. Dmowski, showed me a telegram which he had recently received from the national Polish organizations in America, in which it was stated they had unanimously agreed to unite with the National Polish Committee in Paris, pledging not only their cooperation but acknowledging the political supremacy of the Paris committee.

I was also permitted to see a copy of an official communication recently received from the French Minister for Foreign Affairs, Mr. Ribot, the message in which he stated that the selection of Mr. Piltz was particularly agreeable to the French Government as the representative of the National Polish Committee for France. He took occasion in the note to highly commend Mr. Piltz for his valued aid in cooperating with the Government for a number of months past. In another communication from Mr. Ribot to the president of this committee, it was stated that the Government of the Republic was very willing to recognize the Polish National Committee as an official Polish organization and to give its consent to the establishing of its central seat of government in Paris. Great satisfaction was expressed by the Minister of Foreign Affairs over the committee's work. The attitude of France and her traditions in relation to the cause of the reconstruction of Poland was touchingly referred to in this communication from Mr. Ribot, and any assistance that might lie in her power to grant was promised to the committee for its efforts in behalf of Poland; grateful recognition was made of Polish arms in the cause of the Allies. The letter was an unqualified indorsement of the National Committee and its purposes.

1. The purpose of the committee is to represent all Polish interests with the Allied Governments above mentioned. The political questions affecting the Polish Army now organized on the western front for the purpose of fighting by the side of the Allies will be given earnest consideration with the view that on the western front there may be a distinctively Polish army that may fight valiantly not only for the common cause but in such a way as to reflect the greatest credit upon Poland. Mr. Dmowski said that though the history of his country had shown his people at times lacking in cohesive qualities which would build up a strong nation, yet they had always been noted for their bravery and splendid fighting spirit.

Another object of the committee was to protect the Polish people and their interests in western Europe.

2. The committee represents the two leading parties of Poland, the National Democratic Party and the Realist Party, the first having supplied all the Polish members to the Duma, and the latter having supplied all the members to the readjusted Council of Empire. The president, Mr. Dmowski, represented the first-named party for a number of years in the Duma, while Mr. Piltz—representing the committee in France—is a member of the Realist Party. It was stated that Mr. Paderewski and Count Sobanski do not belong to any definite party. Mr. Dmowski told me that while the Socialist Party was not now represented on the committee yet he hoped soon that it would have such a representative. He said that the Socialist Party in Poland championed very much the same principles as the Socialistic Party groups of Germany, and had, until the revolution in Russia, been in favor of the Central powers due to their hatred of that country. He stated that owing to this revolution the Socialists had now changed in favor of Russia and for that reason he hoped consequently that they would soon be represented on the committee. However, they had never, as a party, been strong enough to elect a member to the Duma.

Mr. Dmowski's statement as to the absence of any Jewish member on the committee was [interesting]. He said that according to the census made by the Germans there were 2,300 Jews in Lodz who claimed to be Poles, while there were 150,000 in that city who claimed Jewish nationality. He expressed the belief that as the Warsaw money market is a branch of the Berlin stock exchange, practically all financial matters being in the hands of Berlin financiers, the wealthier class of Jews particularly were German sympathizers. In the written statement furnished to me by Mr. Piltz, it was stated that if it were a mere question of the Poles belonging to the Jewish confession there would be no obstacle for them to be named members of the committee, but as they considered themselves of distinct nationality they cannot consistently form part of a strictly Polish national committee.

3. The committee desires of the United States, as of all its other allies, an official recognition as representing Poland, and wishes to collaborate with and be consulted by all the Allied Governments upon questions affecting the war and the political future of Poland. Both the president of the committee, Mr. Dmowski, and Mr. Piltz, representing the committee in France, impressed me as men of a high grade of ability and as deeply in earnest in their work. They evidently belong to the best class of Polish statesmen and are men who have had a long and valuable experience in the political affairs

of that country. The latter said to me at the Embassy that there is not a single Pole who did not feel that the independence and future autonomy of Poland depended much upon the United States. He said Polish people were most grateful to the President for having singled out Poland for reference in his famous address which preceded the Soviets' reference to an independent Poland by fully three months.

SHARP

File No. 860c.01/34

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *October 11, 1917.*
[*Received October 14, 4.30 p. m.*]

1860. Minister of Foreign Affairs asks our assent to making of declaration on Monday, October 2,[1] on occasion of Kosciuszko memorial ceremonies that "Russia and her allies consider one of the conditions of the establishment in Europe of an order of affairs based on the principles of right and of peace enduring and equitable the creation of a free and independent Poland." He writes above from Staffka and asks Allied Ambassadors to participate in ceremonies. I recommend compliance. Please answer immediately.

FRANCIS

File No. 860c.01/32

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *October 15, 1917, 6 p. m.*

2715. Your 2591, October 11, midnight. Department understands that British Government has to-day recognized Polish National Committee sitting in Paris. Before similar action is taken by this Government, Department requires information on the following points:

1. Have you received a formal written communication from the committee asking for recognition by the United States? If so does your telegram outline substance of such communication? If not you should intimate to the committee that this Government desires that you receive a written request for recognition before it acts.

2. Department is very confidentially informed that this committee is endeavoring to secure recognition from England, France,

[1] Old style; 15th, new style.

Italy and the United States, but not from Russia. The Department cannot but feel that failure to consult Russia in a matter that concerns her so intimately could not but affect adversely the success of the whole movement, a movement that has the hearty sympathy of this Government. So far as the Department is able to learn the Russian Government has manifested no spirit of opposition to the committee which would justify this course, but on the contrary it would apparently accord a sympathetic reception to any overtures from the National Committee. Inasmuch as the other great powers have been consulted and Russia has apparently been slighted, it can hardly be expected that she will take the initiative in offering recognition. In the belief that Russia would be given substantial ground for complaint by any failure to consult her about the matter the Department has advised the Russian Embassy in this country that it is prepared to act with Russia in the recognition of the committee. You should most discreetly and orally inform the members of the committee that both for reasons of justice and in what we conceive to be the best interests of the movement the Department is anxious not to work at cross purposes with Russia in the matter; that we have reason to believe that Russia would look with favor upon a suggestion from the committee if accompanied by a statement that the committee would maintain in Russia a representative whose status should be similar to that of Paderewski in this country. So far as the Department can see, this condition would work to the distinct advantage of the committee itself. The Department has also been informed that the committee in Paris as at present constituted has no representative of the Ludowe or Peasant Party. If you deem it wise you may intimate to the committee that this Government trusts that its membership will include as representative a body of Poles as possible. The Department believes, however, that if the committee secures one Polish representative who would remain in Russia the question of Russian representation in Paris would not be a substantial one. This Government has no desire to interfere in the internal management of the Polish National Committee, but it believes that the consent and approval of the Russian Government is essential if the committee is to have effective influence.

The Department considers this whole question one of the greatest delicacy. In any conversations you may have you should take pains to emphasize the fact that this Government has no selfish ends to serve and that its representations are based solely on its sympathy for the Poles and its ardent hopes for the success of the movement undertaken by the National Committee.

LANSING

File No. 860c.01/42a

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *October 15, 1917, 6 p. m.*

1778. In answer to a telegram in regard to the Polish National Committee the Department has received the following from the Ambassador in Paris: [Here follows telegram No. 2591 of October 11 from the Ambassador in France.]

Department is telegraphing to say that it desires to receive a formal written request for recognition before taking any action. The Department's telegram continues as follows: [Here follow the last two paragraphs of telegram No. 2715 of October 15.]

The foregoing is for your information and guidance. The Department is aware of the difficulties encountered by the Russian Government and is most anxious to work in entire harmony with it in regard to this matter. Please take occasion to bring to the knowledge of the Russian Government the attitude outlined in the Department's telegram to Mr. Sharp. It is hoped that friendly and conciliatory spirit will be shown both by the committee and by the Russian Government. The Department will be glad to contribute in any way possible to the end in view.

Report promptly by wire.

LANSING

File No. 860c.01/40

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *October 19, 1917, 3 p. m.*
[*Received October 21, 12.45 p. m.*]

2622. Your 2715, October 15, 8 p. m. [*6 p. m.*]. Upon receiving Department's telegram I at once made an appointment with Mr. Dmowski, President of the Polish National Committee sitting in Paris, and in the conversation following this appointment I spoke to him in the sense in which you instructed me.

Inasmuch as the written statement furnished to me by Mr. Piltz, the outline of which I telegraphed you in my No. 2591,[1] could not be properly termed a formal request to our Government for recognition of the committee, I suggested to Mr. Dmowski that he formulate such a request which I would be pleased to forward to my Government. This he was very glad to do. A delay of a day, however, in its preparation followed, and I again saw him yesterday at my home, where I had a long talk with him as to the points raised in your telegram, and, in fact, concerning many questions involving

[1] *Ante*, p. 766.

not only the internal conditions of Poland but the general situation in Russia, about which he impressed me as being exceedingly well informed. He left with me a request in writing for recognition, which I quote as follows in its entirety, and am sending the original in French with translation in the outgoing pouch.

To His Excellency Mr. Lansing,
Washington.

Mr. Minister: Referring to the communication of the Polish National Committee, presented on behalf of the committee by Mr. I. J. Paderewski to the United States Government, we have the honor to beg the American Government kindly to recognize the Polish National Committee at Paris as an official Polish organization.

The following would come under the jurisdiction of the committee:

1. The representation of Polish interests in the United States, in Great Britain, France, Italy, and in all other states where the cause of Poland and the objects of the Allies might make it desirable;
2. Political questions in connection with the Polish Army at present organized on the occidental front to combat at the side of the Allies;
3. Civil protection of persons of Polish nationality, hitherto Russian, German and Austrian subjects, in the Allied countries of occidental Europe.

The committee will use its activities outside Poland and the states to which the Polish territories have hitherto been subject; its relations with the Poles of Russia and with the Russian Government are assured by the National Council of the inter-party union recently created at Petrograd with which it is in perfect harmony.

Here follow names of members of the committee already transmitted to the Department. Communication continues:

The headquarters of the committee are at Paris and its members are as follows: Roman Dmowski, President; Erasme Piltz, Delegate near the French Government; Jan Jordan Rozwadowski, Vice President of the Agricultural Society of Galicia; Marjan Seyda of Bosnia, Director of the Central Agency of Lausanne; Count Maurice Zamoyski; I. J. Paderewski, representative to the United States Government; Count Ladislas Sobanski, representative to the Government of Great Britain; Count Constantine Skirmunt, representative to the Italian Government. The committee having been recognized by the French Government as well as by the British Government, we have the honor to renew our request to the United States Government begging it to take likewise a favorable decision on this point and to recognize Mr. I. J. Paderewski as the official representative of the National Polish Committee at Paris to the United States Government.

At the time the above quoted request was left with me, Mr. Dmowski gave to me a memorandum which in part answers the questions raised in your telegram, and which I also quote in its entirety.

The activities of the Polish National Committee are confined to Great Britain, France, Italy and the United States, and the committee asked only the Governments of these four states for official recognition. France and Great Britain already recognized the committee as the official Polish organization.

Russia is not included in the sphere of the committee's activities, being a state which possesses up till now Polish territories and where the Poles are until now in the legal situation of Russian subjects: In Russia, therefore, till the end of the war, the Polish affairs can not be treated as touching foreign affairs. To meet that difficulty a Polish Council at Petrograd, was organized in June, 1917, which works in close understanding with our committee, and which is in official relations with the Russian Government.

The establishment of the Polish National Committee in Paris cannot be looked upon unfavorably by the Russian Government for the following reasons:

(1) On March 30, 1917, the Provisional Russian Government proclaimed the independence of Poland, which proclamation has been confirmed recently by the Russian Foreign Minister.

(2) On June 4, the President of the French Republic issued a decree establishing an autonomous Polish army which implied the collaboration of a Polish committee in its political affairs; the Russian Legation was consulted beforehand and expressed its approval of the French proposition.

(3) The committee does not intend to act in Russia, leaving the Polish affairs there to the care of the Polish Council at Petrograd.

[When] Provisional Government was established last spring in Petrograd, he [Dmowski] went over to London to press the question of the recognition of the independence of Poland upon Balfour, stating that the time was most favorable for such action. Balfour entirely agreed with him and instructed the British Ambassador, Mr. Buchanan, at Petrograd to urge this matter for favorable consideration upon the Russian Government; a few days later he received an answer that it did not appear as though such a movement would be successful, as it was not looked upon with favor by the Russian Government. However, Mr. Dmowski told me, very soon after that instructions were again sent to the Ambassador to vigorously push the matter, representing that it was the wish of the British Government that that action be taken, and a few days after, the Provisional Government at Petrograd proclaimed the independence of Poland.

As to the point raised in your telegram, that there is at present no representative of the Ludowe or Peasant Party on the committee, Mr. Dmowski said that they had some time ago sent a request to the Petrograd Council to have a representative of that party come to Paris to constitute a part of the personnel of the [committee]. He added that as a matter of fact he himself represented a great majority of the Peasant Party in Poland. He expressed the belief

there were harmonious relations between the Polish Council at Petrograd and the Russian Government, and he said that there was no desire to ignore Russia in the matter of securing recognition of the committee.

Mr. Dmowski said also that, not desiring to hold anything away from me, he felt it is his duty to tell me in confidence—except, of course, with the understanding that the information would be given to my Government—that there were undesirable Poles in Russia who were working in close harmony with the revolutionary Russian Government, their aim being to complete *rapprochement* between the Russian Government and the Central powers. The best known among these elements was a (barrister?) from Moscow, half Jew by birth, of the name of . . .

I gathered from what he told me that there was much anxiety on the part of the committee as to the influence which those who were secretly plotting against Poland might be able to exert in Petrograd. He informed me that their inter-party Council of Petrograd, shortly after its organization, had asked Tereshchenko, the Minister for Foreign Affairs, to allow Poland to have a representative at the next conference of the Allies. To this request no reply had been given. Mr. Dmowski also informed me that a small element of Poles had at one time desired to go to Stockholm for the purpose of securing recognition of Poland by the Central powers at Warsaw. This request, however, was refused by the Russian Government.

Mr. Frazier of the Embassy tells me that after Mr. Dmowski had left me he stated to him that in his opinion only the strong onslaughts of the Allies prevented the Russian Government from arranging for separate peace with the Central powers.

While I was led to believe from my talk with Mr. Dmowski that his committee had no prejudice against the Russian Government, and, in fact, would be very glad to receive its recognition and co-operation, yet, behind it all, there was an evident distrust of its intentions. He was very open in his declaration that it was his opinion that the Russian Government would be glad to see a [Socialist?] on the Paris committee, one that would be more in sympathy with revolutionary tendencies, but that to have a committee representing Poland so constituted would be to plant the seeds of a future revolution in Poland which neither he nor his co-members on the committee would want to see brought about. He said that they earnestly hope for the prompt recognition of the American Government, to the end that their work for aiding in the military operations through a Polish army might be thereby strengthened and made most effective. Following the Department's instructions, I assured Mr. Dmowski that the American

Government had no selfish purposes to serve and that its representations were made only to the end that the most effective way might be found to enhance the success of his committee's movement in behalf of Poland. I am sure that he, as well as the other members of the committee, perfectly understand and fully appreciate the helpful attitude of our Government.

SHARP

File No. 860c.01/39

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *October 17, 1917.*
[*Received October 22, 3 a. m.*]

1879. Polish meeting evening of 15th largely attended. Polish Bishop presided. Addressed Allied diplomats in French, then audience in Polish. After two Polish speeches another Pole delivered address in English to me. Polish Committee program was that I speak next, but some one, I think Minister of Foreign Affairs, changed order, as Minister of Foreign Affairs spoke next after reading formal and official Russian declaration of Polish independence. Then four Ambassadors spoke in order of service here, namely, British, Italian, American, French. Minister of Foreign Affairs before speaking read declaration of which he says following is copy:

I now declare that the other great powers of the Entente, adhering to the principles proclaimed by the Russian Government in its manifesto to the Poles dated March 17 [1] recognize that the creation of an independent and indivisible Poland constitutes one of the conditions of a solid and just peace and of a reign of right in Europe.

The British Ambassador said:

Representatives of valiant Poland, I am happy to have this occasion to present to you the fraternal greetings of a friendly and Allied nation, whose Government whole-heartedly joins in the declaration that the Minister of Foreign Affairs has just made.

The Italian Ambassador said:

Animated by these sentiments, I am happy to join in the noble declarations of the Minister of Foreign Affairs.

I not having received reply to my No. 1860,[2] said only following pertaining to declaration of Minister of Foreign Affairs:

Polish independence gladdens the heart of America. The freedom of Poland has been sung by American poets and has been the theme

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[1] Old style; 30th, new style.
[2] *Ante*, p. 769.

of American orators since the days of Kosciuszko whose memory can be most highly honored, whose deeds and services best commemorated by triumph of the principles for which he lived and labored.

The French Ambassador said:

Poland, to whom the young Russian democracy, with spontaneous enthusiasm, has promised independence, has just received the confirmation and guarantee of it, given with an unanimous heart by all the Allies.

FRANCIS

File No. 860c.01/43

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *October 22, 1917, 7 p. m.*
[*Received October 28, noon.*]

1896. Your 1778, October 16 [*15*], 6 p. m., received night of 19th. Broached the subject Minister of Foreign Affairs, 20th, but he so occupied with the Council of Republic matters could not discuss it until to-day, advising me yesterday he was engaged preparing statement on foreign relations for the Council of Republic. Says to-day Russian-Polish relations different from other countries, as [there are] several disagreeing Polish parties in Russia who feel and talk bitterly about each other, and says Russian recognition of National Committee [would] be prolific of great dissension. Said that Poles now holding congress here and if such could agree will advise me in a few days concerning Russian representation on the National Committee and recognition thereof. Appreciates your consideration.

Poles insistent on the organization of a distinct Polish army here but Minister of Foreign Affairs says impossible because although perhaps 300,000 Poles in Russian ranks, formation thereof in separate army would enable Central Empires to increase their forces by 800,000 men, as Russia called to service only men to 30 years while occupying Russian Poland and if Polish soldiers assembling [*included in*] Russian Army be organized in a separate army, Central Empires would immediately call to service Poles without [*within*] their jurisdiction and thus increase their forces by 800,000. Says, moreover, Central Empires made such an effort heretofore but compelled to abandon same.

Minister of Foreign Affairs says told Poles to unite and select secretary familiar with Polish interests to accompany him to Paris conference but they reported had made effort with impossible result.

Says England and France informed him would recognize National

Committee but did not consult him thereupon. Russian Poles seem united on two questions only: one is their independence, another is respect for Paderewski. More after another conference.

FRANCIS

File No. 860c.01/44

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *October 24, 1917, 11 p. m.*
[*Received October 27, 2.15 p. m.*]

1907. Further answering your 1778. Minister for Foreign Affairs cabled yesterday Russian Ambassadors, Washington, London, Paris, Rome, stating formal position concerning Polish committees. Says recognizing Polish National Committee. All Poles here admire United States and desire best terms with Embassy.

FRANCIS

File No. 860c.01/43

The Secretary of State to the Ambassador in Russia (Francis)

[Telegram]

WASHINGTON, *November 2, 1917, 7 p. m.*

1824. Your 1896. Nearly one million Poles, representing approximately the entire Polish population in the United States under the leadership of Paderewski, have been urging this Government for some months past to recognize the so-called National Polish Committee in Paris, and to lend encouragement to the establishment of a Polish army to operate on the western front. The recognition of the Polish Committee in Paris was for the purpose of encouraging the Poles within Poland and in order that the Allied Governments could have some official Polish body with which they could communicate. Great Britain and France have given their recognition to this committee. The Government of the United States was about to do likewise when, after conversation with the Russian Ambassador here, it was decided not to extend recognition without first coming in touch with the Russian Government.

The Department has had various conversations with members of the Russian Embassy and appreciates the difficult situation confronting the Russian Government in its efforts to unite the Radical and Conservative factions of the Russian Poles, and that the Radical Poles do not favor the establishment of a Polish army believing that the Poles in the Russian Army would thereupon demand release in

order to join the army of their compatriots. In this connection the fact should not be lost sight of that the Polish army to be recruited from Poles in the United States is purely voluntary; that is, it is to be composed of Poles who are not subject to the draft law and who are not, therefore in the American Army. The size of the Polish army is limited and will be more than filled by Poles in this country who are ready and eager to serve the cause. There are serious difficulties still to be overcome, however, regarding the transportation and equipment of these Poles.

You will discuss this matter informally with the Minister of Foreign Affairs and say that the Department has delayed its recognition of the committee in deference to the situation in Russia, but has now reached the conclusion that in the general interest of the Allies it cannot longer defer this step.

Inquire whether a message from Paderewski to the opposing Polish elements in Russia, urging upon them unity of purpose and action, would be of assistance to the Russian Government at this time.

LANSING

File No. 860c.01/50

Memorandum by the Assistant Secretary of State (Phillips)

November 5, 1917.

Mr. de Laboulaye of the French Embassy reports that the Italian Government has just recognized the Polish National Committee in Paris. I explained to De Laboulaye the position of this Government and that we would probably be in a position to give the recognition within a very few days.

W[ILLIAM] P[HILLIPS]

File No. 860c.01/61

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *November 10, 1917, 4 p. m.*

2799. Your 2622, October 19.[1] Please inform Mr. Dmowski, President of the Polish National Committee in Paris, that the Department has received his request that the Government of the United States extend recognition to the Polish National Committee at Paris as an official Polish organization.

In reply the Department authorizes you hereby to extend such formal recognition.

LANSING

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[1] *Ante*, p. 771.

File No. 860c.01/49

The Ambassador in Russia (Francis) to the Secretary of State

[Telegram]

PETROGRAD, *November 24, 1917, 7 p. m.*
[*Received November 26, 2.34 p. m.*]

2017. Your 1824 received November 6. Your 1838 received November 18.[1] Owing to existing circumstances presentation of matters relative to Polish National Committee must await opportune moment and stable government. FRANCIS

File No. 860c.01/51

The Ambassador in France (Sharp) to the Secretary of State

No. 5805 PARIS, *November 9, 1917.*
[*Received November 27.*]

SIR: I have the honor to enclose herewith, in copy and translation, a report on the situation in Poland which has been brought to me by Mr. Marjan Seyda, member of the Polish National Committee which formed the subject of the Department's telegram No. 2703 of October 8 last.[2]

I am informed that the periodical reports of Mr. Seyda were formerly given to the American Minister at Berne.

I have [etc.] W. G. SHARP

[Enclosure—Translation]

Mr. Marjan Seyda, for the Polish National Committee, to the American Ambassador (Sharp)

PARIS, *October 24, 1917.*

MR. AMBASSADOR: According to official news from Berlin and Vienna, under date of October 15, the Emperors of Germany and Austria have "decided to appoint (*in ihr Amt einzusetzen*) as members of the Council of Regency of the Kingdom of Poland, pursuant to article 1 of the letters patent of September 12, 1917, the Metropolitan Archbishop of Warsaw (Mgr. Kakowski), Prince Lubomirski (Zdzislas) and the landowner, Joseph Ostrowski." As regards the two first, they have been designated from the beginning as candidates to the Council of Regency; the candidature of the third, M. Ostrowski, a Conservative, who these last few years on account of his health, had not taken a very active part in politics, was only brought into notice when the candidature of M. Niemojewski, former

[1] Telegram No. 1838 not printed.
[2] *Ante*, p. 765.

President of the Provisional Council of State discredited and forced to resign, had become impossible through the attitude adopted in regard to him both by the Moderate parties and the parties on the Left, and also when Count Adam Tarnowski, former Austro-Hungarian Ambassador, had refused to accept the post.

Nearly five weeks have elapsed between the publication of the Austro-Hungarian letters patent and of the decree upon the Council of Regency, the Ministry and the Council of State of the Kingdom of Poland, and the effective creation of the Council of Regency. In order to gather an exact idea regarding the creation of the Council of Regency, composed of the members named above, it is indispensable to know and to understand the facts incident to its creation as well as their origin.

The impression produced by the acts of September 12 upon the Poles within the Kingdom, and in Poland generally, was very slight—as was distinctly brought out by the press of Poznan (Posen) and of Cracow. The feelings of the Poles towards the occupants, and more especially towards the Germans, are of the most bitter kind; this for several reasons: innate instinctive hostility to Germans; general exasperation provoked by the merciless requisitions; indignation caused by the crushing of any Polish initiative by the occupants, contrary to the promises given in the proclamation of November 5, 1916; finally, these latter times, a considerable fermentation growing out of the severe repressions applied to the refractory troops and to the Socialist and Radical elements who, changing front, have taken up an attitude of violent opposition. It is upon ground thus prepared that the letters patent have fallen as well as the decree concerning the supreme Polish authorities. It has been understood, nevertheless, that these acts contained certain concessions which, if applied in all good faith, might have served as a basis upon which it would have been possible to build the foundations of the future interior existence of the Polish state, were it not for the fact that to each paragraph of the decree, restrictions are added, which, practically, may completely obliterate any such concessions. The only answer which the Poles would be instinctively prompted to make to the letters patent would be: "After words, let us have actions." There is not the slightest doubt that the granting to the Poles, just lately, of public jurisdiction and instruction—two tangible concessions—produced far more effect than all of the acts of September 12.

But what attitude did the different political parties of the Kingdom observe in regard to these acts?

The Parties' Political Club, organization of the moderate elements which represents, as the events of the last months have proven, the

enormous majority of public opinion of the nation, took a very marked position in that respect prior even to the publication of the letters patent as soon as it was known what they would bring about. The following is the declaration made by the club concerning that act:

The Parties' Political Club has neither taken part in the elaboration of the plan nor in the choice of persons called to the Council of Regency. However, in presence of the gravity of the new situation, the Parties' Political Club feels it is its duty to make the following statement:

The Council of Regency to which a large field of action will be attributed in the task of reconstituting the state may fulfil its mission and obtain successful results for the nation, provided it does not forget one single moment that, according to the spirit that has always reigned in Poland throughout its history, the nation has been, and is, the only fountain-head of supreme power. We firmly believe that in the present transitory condition, the Council of Regency will not, without first consulting the wishes of the nation, take any decisions in regard to frontiers or to the constitution of the Polish state; neither will it offer anyone the crown of Poland nor sign any treaty whether political or commercial, tending to provide for the future destinies of Poland. We also expect the Council of Regency to protect the nation against the destructive consequences of the war, and to undertake efficaciously the task of constructing by its own means, a Polish state. Party of Realistic Politics, National Democratic Party, Polish Progressive Party, National Union-Christian Democratic Party, Party of Economic Independence.

It seems from the above declaration that the Parties' Political Club considers as alone possible the taking in hand by the Poles of the administration of the country in view of organizing, by their own means, the internal activity of the state; as well as of defending the country against the "destructive consequences of the war"; that is to say against requisitions, and against all exploitation of the Kingdom by the authorities in occupation. On the other hand, the Parties' Political Club has been, and is still absolutely opposed to the Polish authorities assuming the character of a political government which might dispose in any way of the future of Poland as regards the international point of view, or which might assume any engagements on the side of the Central Empires.

The point of view of the Parties' Political Club corresponds completely to the opinion emitted by the National Polish Committee of Paris at the reunion held by it at Lausanne from August 12 to 15, an opinion which by secret means was communicated to the said club. It is evidently in the interest both of Poland and of the Allies that the administration of the Kingdom should pass from the hands of the Austro-Germans into those of the Poles; thus

the requisitions of the occupying authorities will become to a certain point, more difficult, and at the same time the country may be gradually prepared for its future public life by establishing firm bases which, after the war, could oppose efficaciously the wave of anarchy which may come from the Orient. On the other side, however, the interests of Poland and those of the Allies absolutely require that the Kingdom should not be involved from the political point of view, and still less from the military, with the Central Empires.

As regards their attitude towards the Central Empires, the groups on the Left, the Socialists and Radicals, have drawn nearer, since the Russian revolution, to the Parties' Political Club; their committee, subsequent to the publication of the Austro-German Acts, has made the following declaration:

The letters patent of the occupying Governments of September 12, 1917, may no doubt constitute a step towards the realization of the Polish state, but their real value can only be appreciated when the competence of the future Polish government shall have been defined, for the experience of the last months, as well as the fact that the letters patent maintain supreme power to the occupying Governments, allow very serious doubts to be entertained on that point. We consider as a first indispensable condition of efficacious work of the future Polish government, in union with the country: the acknowledgment of all civic liberties and, in the first place, the abolition of all repressions in regard to persons arrested for political offences and strikes; the liberation of the interned *légionnaires;* the reinstatement of Joseph Pilsudski in the country; liberty of the press and of reunions. We declare moreover that the future constitution of the Polish state must be uniquely decided by a Polish legislative diet, the convocation of which, upon the basis of universal suffrage, direct, secret, equal, without distinction of sex, should be one of the first tasks of the Government.

Alone the National Center, with the elements which are close to it, directed by the members of the former Provisional Council of State, in answer to the acts of September 12, has declared itself disposed to cooperate, both from the political and the military point of view, with the Central Empires. The principal passages of the resolution of the National Center are as follows:

The National Center welcomes, in the establishment of the Council of Regency, the personification of the Supreme Authority of State which would give the guarantee that the act of November 5, 1916, was the starting point of the solution of the Polish question, and will finally become a real basis for the immediate creation of a Government and an army. Desiring that the peace congress which is coming nearer should find the Polish state sufficiently developed as regards its organization and the question of the eastern frontiers established (thanks to the cooperation of the Polish Army) accord-

ing to national interests, the National Center considers it indispensable that the Council of Regency, as well as the Council of State and the Cabinet of Ministers, should be decided partisans of "activism." *

The Polish legions, which had been given to the Polish state and which were to serve as staff for the Polish army, have been reintegrated under the high Austro-German command, as Auxiliary Corps. Hoping that this order, and the sending of the legions to the Austro-Hungarian Army as Auxiliary Corps, is of a transitory character, and that the principal object to be attained is to purify the conditions that had lately developed in the regiments of the legions,† the National Center believes that the Auxiliary Corps, once this purification accomplished, will be restituted as a whole to the Polish state, that is to say, without exclusion of the Austro-Hungarians who may form part of it, and that it will become the basis of the staffs for the formation of a regular Polish army organized by means of draft. The National Center deems that the immediate creation of a Polish army, ready to enter into action to second and decide the question of the eastern frontiers in the spirit of the Polish national aspirations, is an essential condition that the ideal of a Polish state, independence and government, may assume its proper significance, that it may become a reality and that the existence of the Polish state may be considered as assured.

The National Center conceives its "activism" to-day, as it has done heretofore, as a collaboration with the Central Empires (not only from the political point of view but also from the military), directed against Russia, thus indirectly also against all the Entente. But, having proven the complete failure of voluntary enlistment upon the basis of "fraternity with the German, the Austro-Hungarian Armies and those of their allies," the National Center declares itself categorically in favor of obligatory enrolment.

Upon such a basis, of course, no one could govern the Kingdom for he would have against him nearly the totality of its inhabitants. An eloquent warning in this respect is the declaration of the Parties' Political Club hereinabove cited, which, in principle, limits the competence of the Council of Regency, to the interior administration of the country, stating that on that condition alone the council may acquire any real authority. As regards the attitude of the said club, the *Courrier Illustré* of Cracow states that its members would neither

* In the Kingdom of Poland, the name of "activists" is given to those who wish to build up the Polish state upon the basis of the Austro-German Act of Nov. 5, 1916, even at the cost of political and military collaboration with the Central Empires (programme of the National Center) and the name of "passivists" is given to those who, while desiring to see the Polish state reconstituted in the briefest delay possible, yet are absolutely opposed to any political or military "activism" in favor of the Central Empires. (Parties' Political Club, and, since the Russian revolution, the groups of the Left.) [Footnote in the original.]

† Refusal to take oath, and resignations of large groups. [Footnote in the original.]

form part of the Council of Regency nor of the Ministry, the latter being executive bodies, but would ulteriorly participate in the Council of State, the latter being a legislative body; this participation, however, could only take place under certain political conditions and in the event that the number of seats of which the club can dispose seems to it sufficient.

In consequence, Mgr. Kakowski, Prince Lubomirski, and Mr. Ostrowski, having decided to enter into the Council of Regency more especially for the purpose of preventing the power from passing into the hands of the National Center, as the Germans allowed to be feared, they will accomplish the duties of their mission under their own responsibility and not under that of the Parties' Political Club. This resolution which has only been reached after serious hesitation has, in a certain fashion been made easy for them by the fact that the decree which accompanied the letters patent of September 12 excluded from the competence of the authorities of the Polish state "international representation of the Kingdom of Poland and the right to conclude international treaties," that is to say, all foreign politics. Notwithstanding this, the letters patent appeal to Poland "united by her own free will to the Central powers" while the authorities in occupation made every endeavor, during a few weeks, to obtain from the future members of the Council of Regency before their institution, the promise to publish a manifesto stipulating the "intimate alliance" of the Polish state with the Central Empires, as well as the immediate necessity of declaring war to Russia. The German press triumphantly proclaimed that this agreement was already an accomplished fact. A telegram sent abroad from Berlin, on October 2, announced that Mgr. Kakowski, Prince Lubomirski and M. Ostrowski "had signed the bill exacted by the states in occupation." (See for instance the *Basler Nachrichten* of October 3.) But, a few days later, the German papers began to retract. On October 5, a note appeared to the effect that the public was "resigned to relinquishing the idea of an official alliance" in view of the prescriptions of the conference of The Hague (telegram from Berlin to the *Frankfurter Zeitung* of October 6). Finally, the press bureau of the Austro-Hungarian Governor General (*sic*) at Lublin has inserted a note in the *Ziemia Lubelska* stating that it "is not true" that the Central Empires and in particular the German Government (*sic*) had exacted the publication of such a manifesto. . . .

. . . . . .

If we compare the political situation created by the letters patent of September 12 to that which arose after the act of November 5, 1916, we see it is as follows:

The proclamation of 1916 was made by the authorities with all possible grandiloquence and solemnity, which quite seriously impressed certain groups less developed from the political point of view, and it was only when, soon after, the Germans betrayed their intentions and when the resistance organized by the Polish political centers began to manifest itself (Parties' Club, and later also the groups on the Left)—resistance directed as much against the occupiers as against the harmful action of the Provisional Council of State—that the opposition of the country accentuated itself to finally become general. At the present time, when publishing the letters patent of the month of September, the authorities did so in far more modest fashion, and Polish public opinion, which had become very suspicious after past experience, received them with great coldness; nevertheless, the possibility should not be overlooked that the creation of the Council of Regency and the fact of having nominated therefor personalities enjoying great consideration in the country, as well as the intention of forming a serious Polish ministry, may, gradually—if however the occupying Governments do not again make fictitious promises—build up and strengthen in Polish public opinion the conviction of the real value of the said letters patent. There is no need for me to point out the political consequences which would be the result of such a development. It would be a mistake to treat them lightly. They should be foreseen in time and thwarted, and, with that end in view, no arm would be more efficacious in the hands of the directing Polish circles than a collective and solemn act from the Allies in regard to Poland, an act which is indeed wished and hoped for by the Polish people.

Kindly accept [etc.] MARJAN SEYDA

File No. 860c.01/55

The Ambassador in France (Sharp) to the Secretary of State

No. 5843 PARIS, *November 23, 1917.*
[*Received December 10.*]

SIR: I have the honor to transmit herewith copies of a communication which has recently been handed to me by Mr. R. Dmowski, President of the Polish National Committee having its headquarters at Paris. Of Mr. Dmowski and his associates I have made brief mention in my telegrams Nos. 2591 of October 11 and 2622 of October 19, 1917.[1]

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[1] *Ante*, pp. 766 and 771, respectively.

Without at this time commenting upon the contents of this communication, it is clearly obvious, both from the matter contained in my telegrams to which reference has been made, and this communication itself, that Mr. Dmowski has not lost sight of the interests of Poland either during or after the war. His views, however, are interesting as coming from one who is very familiar with the political history of Europe, and his observations entitled to careful consideration.

I have [etc.] W. G. SHARP

[Enclosure]

The President of the Polish National Committee (Dmowski) to the Ambassador in France (Sharp)

PARIS, *November 13, 1917.*

MR. AMBASSADOR: The Polish National Committee considers its duty to bring before the Government of the United States of America its considerations on certain means of struggle against the Central powers which, we believe, might contribute to make that struggle more efficient.

In spite of the successful military operations on the western front and in Asia Minor the cause of the Allies is threatened at present rather seriously (1) by the Italian defeat, (2) by the course of the events in Russia.

These two failures show clearly the importance of the political offensive of Germany in her struggle against the Allies. The German success on the Italian front was due to a certain extent to the pacifist propaganda of German agents in Italy and they are also the German political intrigues in Russia which brought about the disorganization of her Army and which drive her now towards peace. It may be added that the political offensive of the Central Empires is felt in all Allied countries where it provokes strong pacifist tendencies among certain elements.

The weakness of the Allies against the Central powers consists above all in the fact that the struggle of the Allies is limited to the military and economic offensive whereas in the political domain they remain rather on the defensive. They fight their own pacifists and they deny to have any aggressive tendencies: up till now they have not attempted, except in Arabia, to attack the weak points of the enemy. The Central Empires, however, possess certain political sides which might be assailed with success and against which no serious attempt has been made.

Germany on her national territory presents a strong body which can not be easily attacked from the political point of view. Truly,

she has her internal difficulties but these develop independently, and there is little chance for the Allies to influence their course.

The political ground upon which a successful assault of the Allies might be made is that of Austria-Hungary and of Poland.

The relations between the Germans and the Magyars on one side and the remaining nationalities of Austria-Hungary on the other, became more than ever strained in the time of war. In certain regions of the Monarchy, for instance, in Bohemia, there exists a state of fermentation which may turn out very easily into a revolution. If we bear in mind that in the Austro-Hungarian Army, formed upon a territorial basis, regiments are to a great extent racially homogeneous (which fact the authorities try to attenuate in the time of war) we may easily imagine that revolutionary outbursts among various nationalities of the Empire would find an inevitable echo in the Army which might lead to its disorganisation.

The principal reason which keeps those movements in check is the conviction that the Allies do not intend to break up the Hapsburg Monarchy, and that the races subject to-day to the Germans and Magyars, are condemned to remain under their domination after the war. In these conditions, the political leaders of the oppressed nationalities find impossible to start a determined struggle against the Austro-Hungarian Monarchy.

If these nationalities had the certainty that the victorious Allies would bring them freedom, that the Poles, the Italians, the Serbs and the Roumanians, at present Austrian and Hungarian subjects, would be incorporated into Poland, Italy, Serbia and Roumania, that the Czechs would obtain their political independence—the anti-German and anti-Hungarian movement among these races would certainly take such proportions that it might paralyse to a great extent Austria-Hungary's activity in this war.

The second weak point that may be successfully attacked by the Allies is the Polish problem. Russia being disorganised by the revolution, Germany's powerful adversary in the east being thus considerably impaired, this problem became one of foremost importance. After the war the only serious opponent to Germany in the east may be the Polish state if it is placed in conditions which enable it to check the expansion of its western neighbor. These conditions are: (1) the overthrow of the German domination on the territory which separates Poland from the Baltic by the incorporation into Poland of all Polish territories which belong now to Germany, the mouths of the Vistula and of the Niemen included; (2) the overthrow of the German domination over the nationalities of Central Europe, which means the breaking up of the Austro-Hungarian Empire.

If these two objects are not attained, Poland, after the war, would in fact become a German dependency, and an anti-German policy would become for the Poles impossible.

The peace terms formulated by the "Soviet" of Petrograd for the next Allies' conference demand among others the evacuation by the Germans of all territory belonging formerly to Russia, which means also the evacuation of the Kingdom of Poland. Maintaining thus in fact the partition of Poland, the "Soviet" offers to Russian Poland the right of "self-definition." One could hardly find a more repelling threat for the Poles than to open the largest part of Poland to the revolutionary experiments of the "Soviet."

The Central Empires will not certainly fail to exploit this for blackmailing the Poles by presenting them with an alternative: either to get back to Russia, or to accept a solution of the Polish problem proposed by the German and Austrian Governments.

This last solution, as it may be concluded from the news on the recent *pourparlers* between Berlin and Vienna, will take the form of placing the Kingdom of Poland under the scepter of the Austrian Emperor.

Should it be achieved, should the Emperor of Austria become during the war King of Poland, he would consider his right to raise a Polish army and to make use of it in this war. At any rate, should this solution be a final one, the Central Empires would have the guarantee that in the next war all Poland would be forced to fight on their side. Such a prospect is for the Poles a desperate one. Circumstances, however, combine up to now to deprive them of a hope for any other definite future.

In this way the Germans, by their initiative and unceasing activity, bring forth against the Allies a dangerous political offensive on the ground of the Polish problem.

This situation might be essentially changed, should the Allies decide to attack the enemy on the same ground, by pledging themselves to rebuild the Polish state on the whole national territory of Poland, including the provinces which belong to Germany and Austria, with the mouth of the Vistula and Danzig; a state the area and the population of which would be sufficiently large to enable it to successfully oppose Germany in the future.

The Poles would then have the certainty that in the event of the victory of the Allies, they would become independent from Germany, and in that certainty they would find strength to resist German intrigues and even make the greatest sacrifices.

The Polish National Committee, being in constant contact with the political organisations in Poland and cooperating with them in their struggle against the intrigues of the Central Empires, has lately received reports clearly expressing that the whole country

expects an act by which the Allies would manifest their unshakable decision to assure the complete independence of a united Poland.

The success of the German political offensive within the Allied countries is emphatically demonstrated by the fact that the Central Empires have found in the Austro-Hungarian as well as in the Polish question many upholders who devote their unceasing activities to the object of preventing an attack of the Allies on these two grounds. Some try to prove that it is in the interest of the Allies to save Austria-Hungary, others argue that one must not dream to overthrow the German domination in Danzig, as Germany would never reconcile herself with such a loss. Such theories lead consistently to Poland being left entirely within the sphere of German influence. It is clear that in such a case Russia would become in fact a German hinterland.

With above mentioned activities many associate themselves unconsciously, without realising their ultimate effects. If the resulting hesitation in regard to these two questions is not brought to an end, the Allies will be able to carry on but a military and economical offensive, whereas on political ground they will remain on the defensive till the end of the war. Recent experience gives the best evidence of the danger of such an attitude.

The approaching Inter-Ally Conference which is to deal with the aims of this war gives an opportunity to strike at the enemy a hard political blow which will undoubtedly provoke serious internal complications within the Central Empires and affect seriously their fighting strength.

We take the liberty of submitting to the Government of the United States of America the proposition that the great powers in war against Germany make an agreement which they would include in their war aims.

1. The reconstitution of an independent Polish state comprising Polish territories which before the war belonged to Russia, Germany and Austria. This Polish state to be in possession of the Polish part of Silesia and of a part of the Baltic coast with the mouths of the Vistula and the Niemen; to have proper extension and a sufficiently large population to enable it to become an efficient factor of European equilibrium.

2. The emancipation of nationalities in Austria-Hungary which remain actually under German and Magyar supremacy: the incorporation of the Polish, Italian, Serbo-Croatian and Roumanian territories into the national states to which they belong on account of their nationality; the creation of an independent Czechish state comprising Bohemia, Moravia, the Czechish part of Silesia and the northern part of Hungary inhabited by the Slovaks.

The above agreement to be made public so as to enable all the interested nationalities to have cognizance of it.

In case the questions referred to should be discussed at the approaching conference of the Allies and should the representatives of the Allied powers consider necessary to obtain additional information, the Polish National Committee would be glad to supply such through its delegate.

I am [etc.] ROMAN DMOWSKI

File No. 860c.01/91

The Secretary of State to the Representative of the Polish National Committee (Paderewski)

WASHINGTON, *December 20, 1917.*

SIR: I have to acknowledge receipt of your letter of the 18th instant[1] in which, in view of the facts stated by you that one of the principal objects of the Polish National Committee of Paris, now recognized by the Government of the United States as an official Polish organization, is to protect the numerous Poles scattered all over the world, to help them through such difficulties as arise from the fact that the countries in which they are now resident, are in a state of war with the Governments which, by right of conquest, claim them as their subjects, and the number of Poles residing in the United States, claimed by Germany and Austria-Hungary as their subjects, is particularly large, and, as a rigorous application of the Enemy Alien Act to these people, whose loyalty to his [*their*] country is above suspicion, might create, and has already practically created, a great deal of suffering, you inquire whether the Government of the United States would deem it advisable to authorize the Polish National Committee to establish in Washington or New York a consular bureau for the purposes of identifying Poles and issuing certificates of Polish nationality to all Poles whose loyalty and irreproachable conduct would be guaranteed by reliable and responsible citizens.

In reply I have to inform you that the Government of the United States would see no objection to the establishment by the Polish National Committee of an agency for the purposes you mention.

The Government of the United States would not, however, be willing that such agency, at the present time, assume a consular character since to do so would require the issuance of formal commissions by a recognized government and the issuance of exequaturs by the Department of State thereunder.

I am [etc.] ROBERT LANSING

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[1] Not printed.

RELATIONS OF THE UNITED STATES WITH THE ARMENIAN NATIONAL DELEGATION

File No. 701.67m51

The Secretary of State to the Ambassador in France (Sharp)

[Telegram]

WASHINGTON, *May 29, 1917, 5 p. m.*

2294. Investigate fully and report promptly status of Armenian representative accredited to France. What status does this representative claim, what does he state to be the purpose of his mission, and how is he received by French Government?

LANSING

File No. 701.67m51/1

The Ambassador in France (Sharp) to the Secretary of State

[Telegram]

PARIS, *June 2, 1917, 11 a. m.*
[*Received 4.30 p. m.*]

2144. Your 2294, May 29, 5 p. m. Foreign Office informs me that there is no Armenian representative accredited to France. Conversations have, however, taken place from time to time between officials of the Foreign Office and Boghos Nubar Pasha regarding the situation and condition of Armenians both in Turkey and Europe. Foreign Office states that he has no credentials of any sort but is considered to be one who speaks with authority regarding Armenian affairs. He is well known here and in London as well as at Petrograd which latter place he has visited since the beginning of the war where he has discussed with Russian Government in the same manner as the Foreign Office here. He is well known to me personally and seems to be very familiar with all questions pertaining to his country. He is the son of Nubar Pasha, former Egyptian statesman. See my despatch No. 5030, January 8.[1]

SHARP

File No. 701.67m51/2

The Ambassador in France (Sharp) to the Secretary of State

No. 5500

PARIS, *June 1, 1917.*
[*Received June 13.*]

SIR: Referring to my telegram No. 2144 of this date [*June 2*], I have the honor to enclose a communication from Dr. Herbert Adams Gibbons,[2] together with letters written, in triplicate, by

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[1] Not printed.
[2] American lecturer for French Ministry of Foreign Affairs; communication not printed.

Nubar Pasha—one addressed to you for your personal information, one to the Honorable Henry Morgenthau and another to Dr. van Dyke.

On account of your telegram No. 2294 of the 29th ultimo in reference to the question of Armenian representation in Paris, I have, in transmitting Dr. Gibbons's letter, made reference as above to my telegram No. 2144.

I have [etc.] W. G. SHARP

[Enclosure—Translation]

The President of the Armenian National Delegation (Boghos Nubar) to the Secretary of State

THE ARMENIAN QUESTION AT THE PEACE CONGRESS

PARIS, *May 24, 1917.*

1. After the recent massacres and deportations it is impossible to leave the Armenians, with their consent, under Turkish domination. Besides it would amount to keeping alive a source of disorders and conflicts that could not fail again to disturb European peace.

2. Nor can there be any question at this time, as in 1913, of merely granting reforms to the Armenians. For the Turks have again given conclusive proof that they cannot be trusted to keep their promises, by tearing up the Reform Act of February 8, 1914, which would have then settled the Armenian question if carried out in good faith. So there is no solution left but to free the Armenians from the Turkish yoke.

3. At this date, after the Russian revolution whose Government has declared it wishes neither conquests nor annexations, we are confronted with the one solution that will realize the Armenians' national aspirations, the constitution of an autonomous Armenia exclusively composed of all the Armenian territory in Asiatic Turkey. For it must be well understood that the Armenian provinces that have suffered from Turkish oppression are alone concerned and that none of the Armenian regions in Persia and Russia comes into consideration.

This autonomous Armenia would consist of the six vilayets of Erzerum, Bitlis, Van, Diarbekir, Mamuret-ül-Aziz and Sivas, together with Cilicia and the ports of Mersina and Alexandretta on the Mediterranean and of Trebizond on the Black Sea, which are the natural outlets needed by the Armenians to develop the commercial and economic conditions of their country and rebuild their national life.

4. The autonomous Armenia thus constituted would be placed under the protectorate of the powers.

The question here arises: Shall one power be entrusted in the protectorate and, if so, which? Or will the protectorate be jointly exercised by all the powers?

Under the old régime, it was part of Russia's plan to annex or at least assume alone the protectorate of a part of Armenia; but with the advent of the new régime, the only solution left for consideration is that which provides for a joint protectorate of the powers. Again, this joint protectorate, which would be tantamount to a neutralization of Armenia, would be warranted by the international interests involved in those regions of Asia Minor.

5. That solution alone would gratify the national aspirations. It would at the same time fulfil the war aims of the Allies, which are the principle of nationalities and the liberation of oppressed peoples.

The powers themselves would also find manifold advantages therein, for, an Armenia so constituted, with equal rights offered to all the powers, would open to them a field for their commercial, economic and educational activities. It would further be a factor in pacification, forming a buffer between the Turkish state of Anatolia, Russia, Persia, Mesopotamia and Syria.

As for the Bagdad Railway, concerning which the powers will no doubt arrive at a special agreement, it would be given at the ports of Mersina and Alexandretta two terminals in neutral territory which would guarantee to all the powers free traffic with Persia and India.

6. There will necessarily be a first period of organization for the term of which the peace congress might delegate one of the protecting powers to assume the duty of restoring the social life of Armenia. That mandate would last 10 or 15 years and come to an end when financial, economic, executive and political conditions are fully organized, as was done by the United States in Cuba and will be done in the near future in the Philippines.

The delegated protecting power would, for the purpose, have at its disposal a loan guaranteed by the powers, independently of an indemnity fund which will no doubt be allowed by the peace congress to compensate the victims of massacre and deportation. It would be empowered to send to Armenia, there to restore order and safety, a sufficient armed force which it would undertake gradually to withdraw before the expiration of its mandate and which would be replaced by an Armenian *gendarmerie*, as fast as that corps is organized.

7. A national assembly elected by all the resident population would be called in the course of the last year of the delegated power's mandate. And as Armenia should rule itself at the end of the organization period, the government would then be transferred to the national assembly upon which should rest the duty of enforcing and maintaining, under the joint protection of the powers, the final organic law of autonomous Armenia framed to that end.

8. It is well to refute in advance the argument used by the Turks in their press to oppose any autonomy plan. They would lead one to believe that there are not enough Armenians left in Turkey to form an autonomous nation. This is but specious reasoning.

Before the war the Armenian population of the Turkish Empire amounted to about 2,100,000. The population of Cilicia formed 407,000, that of the six vilayets 1,163,000 of that total. In the six vilayets, where are the bulk of the Kurd people and a good many various races, the Armenians were nevertheless in the majority, numbering 40 per cent of the total, and they outnumbered the Turks and Kurds together anyway.

If on the other hand the situation is viewed from the standpoint of economic and moral importance, it is found that the Armenians held from 69 to 86 per cent of the trade, industries and various occupations. Their schools, which are all supported by the communities exclusively, represented more than 80 per cent of the whole number.

Finally the Armenians, who only numbered 2,100,000 in the aggregate population of 20,000,000 of the Empire, handled 60 per cent of the import trade, 40 per cent of the export trade and 80 per cent of domestic trade.

Notwithstanding the large number of victims of massacre and deportation, the greater part of the Armenians were able to escape or survive the attempt at extermination. According to the Blue Book, published by Lord Bryce who drew his information from the most trustworthy documents, an estimate of 1,500,000 for the number of survivors would not be far off the truth.

9. We must not forget either that the number of Armenians in the whole world exceeds 4,000,000 and that a large number of those who to escape persecution emigrated in the last 30 years to Europe, Egypt and America would hasten back to their native land when autonomy would make them sure of a peaceful and industrious life under laws of justice and liberty.

It is not amiss to mention in conclusion that there were barely 400,000 Greeks in Greece when the Kingdom was established, and from 600,000 to 700,000 Serbs or Bulgarians when Serbia and Bulgaria were set up as principalities.

BOGHOS NUBAR

File No. 867.48/676

The President of the Armenian National Delegation (Boghos Nubar) to the Secretary of State

[Translation]

PARIS, *September 12, 1917.*
[*Received November 3.*]

MR. SECRETARY OF STATE: I have the honor to inform Your Excellency that, the Armenian question having now become one of the international questions that will have to be determined by the future peace congress wherein the United States Government will wield a decisive influence, the Armenian National Delegation commissioned by H.H. the Catholicos, Kevork V, Supreme Patriarch of the Armenians, to lay before the Allied powers the just claims of his people, deems it necessary to have a representative in Washington. It has designated as such representative Mr. Miran Sevasly who has already been elected by his fellow countrymen president of the Armenian National Union of America.

I therefore have the honor to beg Your Excellency kindly to receive and recognize him as the representative in the United States of the Armenian National Delegation, and to vouchsafe him your lofty benevolence and invaluable support in the duties he will have to perform as intermediary between your Government and the delegation.

On the other hand, Mr. Pasdermadjian, whom H.H. the Catholicos recently sent to the United States as his special representative, has no doubt already presented to Your Excellency the letters accrediting him in that capacity, and it has already been agreed, with the concurrence of our two delegates, Messrs. Sevasly and Pasdermadjian, that, joined in close collaboration, they will both labor for the same cause which is the liberation of the Armenian provinces from the Turkish yoke.

During the recent afflictions that have overwhelmed Armenia, the United States in general and its Government in particular have given the Armenians such effective proofs of their sympathy and deep interest that our hearts and hopes have more than ever turned to them, fully confident that we have in them defenders who will powerfully contribute to our emancipation and the restoration of our national life.

It therefore affords me particular pleasure to take this opportunity to beg Your Excellency, in the name of H.H. the Catholicos, whom I represent, as well as in my own and in that of all Armenians, to accept the expression of our deep and unalterable gratitude, together with the renewed assurance of my highest consideration.

BOGHOS NUBAR

File No. 867.48/676

The Secretary of State to the President of the Armenian National Delegation (Boghos Nubar)

WASHINGTON, *November 27, 1917.*

SIR: The Department acknowledges the receipt of your letter of September 12, 1917, in which you state that the Armenian National Delegation deems it necessary to be represented in Washington, and has designated as such representative, Mr. Miran Sevasly, who has been already elected by his fellow countrymen, president of the Armenian National Union of America.

I am [etc.]

For the Secretary of State:
WILLIAM PHILLIPS

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